

# ALUCON

Public Company Limited

## 56-1 One Report **2021**



ASIA'S LEADER IN THE WORLD OF ALUMINIUM CONTAINERS

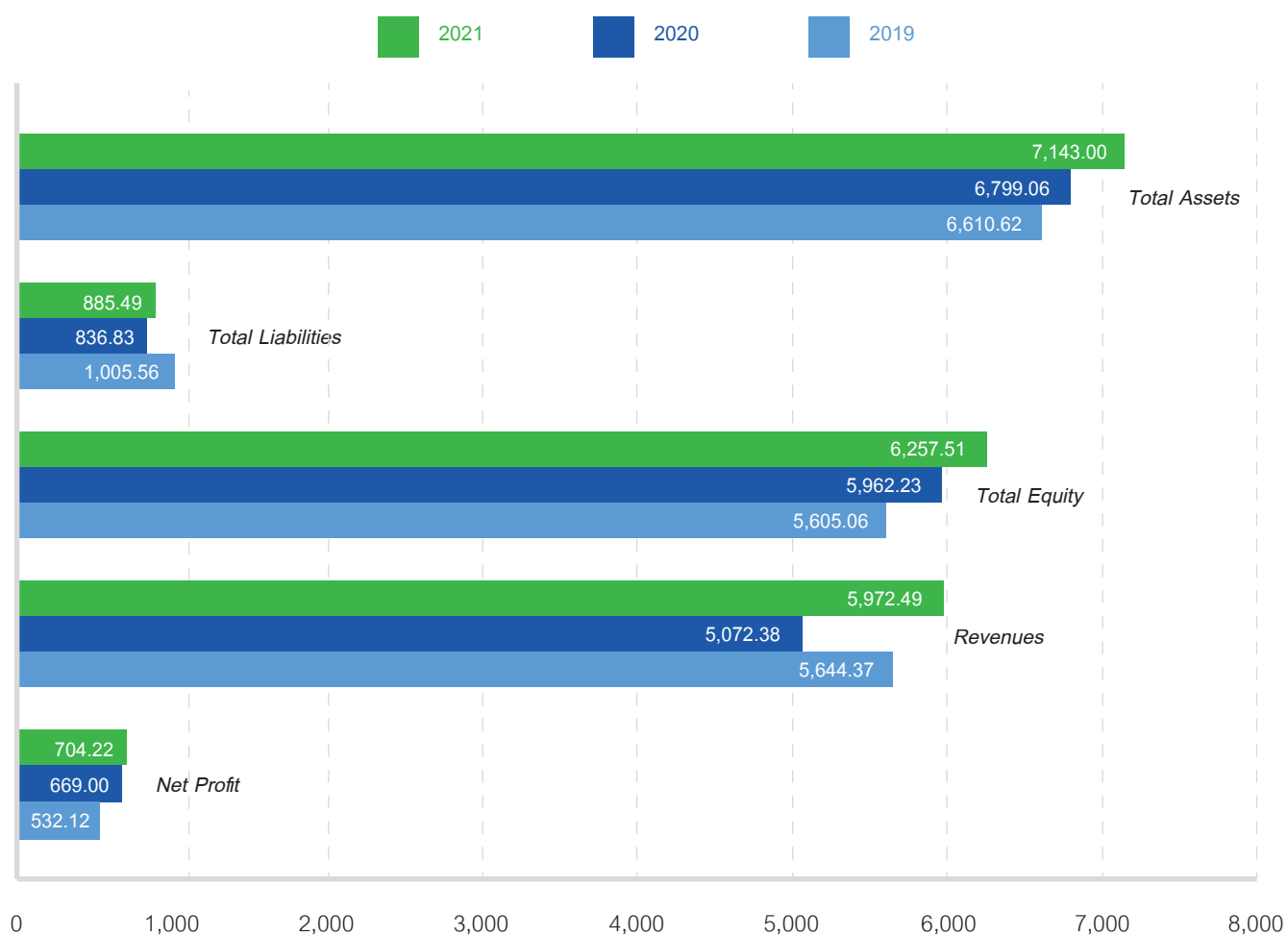
# ALUCON

Public Company Limited



## Financial Highlight

	2021	2020	2019
Financial Status (Million Baht)			
Total Assets	7,143.00	6,799.06	6,610.62
Total Liabilities	885.49	836.83	1,005.56
Total Equity	6,257.51	5,962.23	5,605.06
Operating Results (Million Baht)			
Revenues	5,972.49	5,072.38	5,644.37
Expenses	5,091.73	4,243.97	4,986.48
Finance Costs	-	-	1.24
EBT	880.76	828.41	657.88
Net Profit	704.22	669.00	532.12
EPS	16.30	15.49	12.32





# CONTENT

- 004 Financial Highlight
- 006 Report by The Managing Director

## 01 Business operation and Performance

- 008 Organizational Structure and Operation of the Company
- 017 Risk Management
- 020 Driving Business towards the Sustainable Development Goals
- 030 Management Discussion and Analysis: MD&A
- 038 General information and other significant information

## 02 Corporate Governance

- 041 Good Corporate Governance Policy
- 058 Corporate Governance Structure and Important Information about the Board of Directors, Sub-committees, Executives, Employees, and others
- 070 Report on Key Performance of Corporate Governance
- 082 Internal Control and Connected Transactions

## 03 Financial statements

- 090 Financial statements

## 04 Certification of Information Accuracy

- 132 Certification of Information Accuracy

## APPENDIX

- 134 APPENDIX 1 Details of Directors, Executives, Controlling Person, The highest responsibility in accounting and finance, The person who directly responsible for accounting supervision and Company Secretary
- 148 APPENDIX 2 Details of the Directors of the Subsidiary
- 149 APPENDIX 3 Details about Head of Internal Audit and Head of Operations (Compliance)
- 151 APPENDIX 4 Assets used in Business Operation and Details of Property Appraisal
- 155 APPENDIX 5 Policy and Practice of Corporate Governance and Business Ethics that the Company Being Have Made
- 162 APPENDIX 6 Report of the Audit Committee
- 164 APPENDIX 7 Report of the Risk Management Committee



# REPORT BY THE MANAGING DIRECTOR

Corona virus pandemic has not finished yet. Thailand's GDP increased 1.6% from previous year which is minus 6.1%. This year expected even better. Not only the confliction between US and China but also Ukraine war makes more difficult situation in the world.

The result of Alucon year 2021 was another good year for the company; more revenue and more profit. It is the first time that our Sriracha plant made over 700 million cans and tubes.

The performance of Alucon during the year 2021 was:

- Total revenue increased 18% from 5,072 MB to 5,972 MB; slug sale increased 26% because of higher aluminum ingot price.
- Net profit after tax increased 5% from 669 MB to 704 MB.
- Total production of aluminum cans and tubes increased 10% from 640 million units to 701 million units; although aluminum aerosol can was reduced by 6%.
- Slug production increased 1% from 35,550 tons to 35,839 tons.

During the year we have 59 employees got Corona virus positive; fortunately, nobody got serious effects. Since we did not have big cluster in our company, our operation was not disturbed by any big troubles. The current year, we can manage the disease because of most employees got booster vaccination and the company's strict preventive measures. The number of employees comparing to previous year is 58 people reduced to 1,197 people. Comparing to the end of 2014 it was 1,536 people; 339 people reduced which is 22% reduction making better revenue per employee. This is not caused only from the consolidation of the two plants (Samrong and Sriracha) succeeded making less people available, but also our employees' big efforts. In 2021, our people made quite good job on productivity and scrap rate's improvements making the production cost of cans and tubes reduced 10%. I would like to express my sincere appreciation to our employees.

Alucon business environment this year is very tough. Aluminum ingot price is historically high I have ever experienced. Moreover, Ukraine war makes the price even more fluctuated. All material cost, energy cost, and transportation cost; all prices rise sharply. Consequently, we need to increase our product price; nonetheless, it is not easy.

Capital investment minimizes as previous years. This year we will install more solar panels for two more factory buildings; becoming totally five building installed solar panels by the end of this year. The solar panel project is of course not only good for the environment but also saving energy cost. Even the difficult environment, Alucon produces eco-friendly products for people to get more comfortable life. We will continue to develop and never stop improving our productivity to reach the highest of our valuable customers' satisfaction.

Thank you all stakeholders for supporting Alucon. Please continue to support the Company for the years to come as always.

Mr. Takaaki Takeuchi  
Managing Director

The background features a large, light green circular shape on the left side. Scattered across the page are various small, light green icons, including leaves, gears, and abstract shapes. The overall color scheme is a range of green tones, from light to dark.

Section

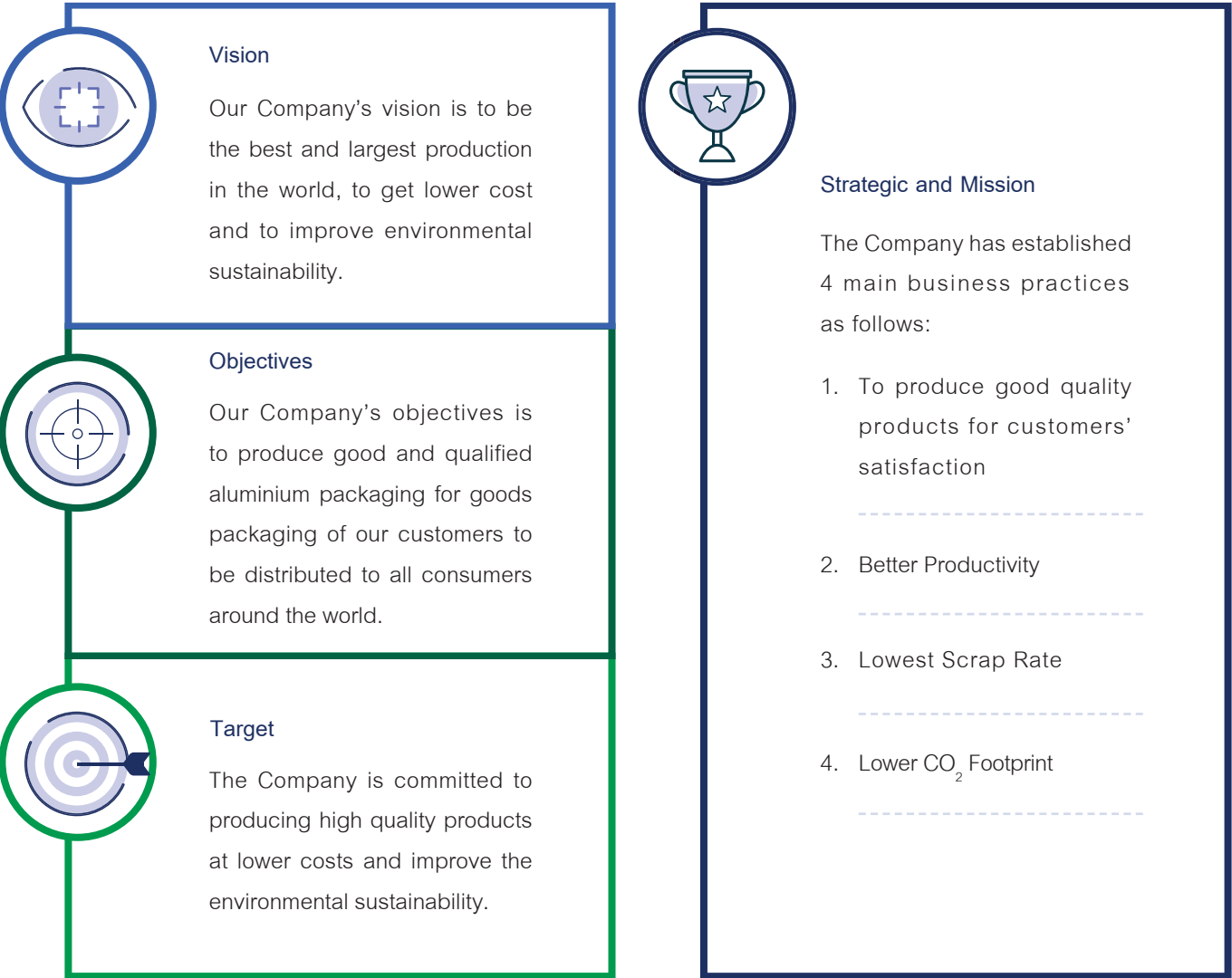
1

# Business Operation and Performance

# 1. Organizational Structure and Operation of the Company

## 1. Policy and business overview

Alucon Public Company Limited operates as a manufacturer and distributor of aluminium packaging such as aluminium tubes, aluminium cans and slugs to be used for forming various type of packaging according to the needs of customers who produce and sell products for consumer consumption by doing business under the vision, objectives, goals and strategies striving to be the largest producer in the world.



Alucon Public Company Limited established in Year 1961 and has developed a variety of aluminium packaging products. Printing technology has been introduced to achieve beautiful prints and has collaborated on product development with Takeuchi Press Industries Co., Ltd., the major shareholder of Alucon, for long period. This makes Alucon a major producer in the world with production lines that can continuously support high-volume production orders and has a production capacity that can meet the needs of customers. In the past several years, the Company has sales volume up to 5 billion Baht. This is because the Company has built a good and long relationship with customers around the world and created satisfaction for customers as well as bringing new technology to develop products to satisfy the Company's customers continuously.



## Material changes and developments

The Company has planned to install solar panels for Building No. 6 and Building No. 7 by applying for Investment Promotion from the Board of Investment Promotion (BOI) and have obtained the approval for investment promotion in such matter and is considering to invest for next project in order to reduce electricity consumption, switching to alternative energy. This would benefit the Company in the long run, both in terms of cost, reduction of corporate tax payment from privilege received from investment promotion of BOI and reduction of greenhouse gas emission from the production process as it is one of our goal to produce environmentally friendly products. In addition, the Company has also obtained the licence for Electricity Production from Energy Regulatory Commission for the production of electricity not exceeding 10 megawatts, with the main objective being to generate electricity for use in our business operations and a plan to reduce the consumption

of electricity from outside for sustainable development in our company's production process.

The Company received the CSR-DIW award from the Department of Industrial Works. This award reflects Company's social responsibility and is accepted by the community and society in the company's business. This project has been pushed to develop a sustainable coexistence between the industrial plant and the community.

### Spending of the Raised Fund

The Company has not issued any financial instruments in raising fund from the public through the system created by the Stock Exchange of Thailand in Y2021.

Obligation that Company makes in the statement

- None -

## 2. Business Nature

The Company's business involves the production and sales of impact extruded aluminium containers such as aluminium collapsible tubes as used for hair color products, medical creams, adhesives etc., aluminium rigid wall containers, aluminium monobloc aerosol cans, aluminium bottles, tablet tubes, marker pen bodies etc. and aluminium slugs for the production of such containers and distributing to the customers for production of such containers categorized as follows:

## Aluminium Collapsible Tubes

which contain for hair colours, pharmaceutical creams, ointments, adhesives, etc.



## Aluminium Monobloc Aerosol Cans

which contain for cosmetics, hair care products, perfumes, deodorants, air freshener, home use products and etc.



## Aluminium Rigid Wall Containers

which contain for tablet tubes, felt pen bodies,  
tale cans, and etc.



## Aluminium bottles

which is the container for cosmetics, beverage, products for automotive products, pesticides and etc.



## Aluminium Slugs (Blanks), Aluminium pellets, coils strips, plates, alloys

are for the production of aluminium tubes and cans and alloy cans.



“ The Company does not own any intellectual property, copyright or patent and the Company has policy not to infringe on the intellectual property of others. ”

### Income structure

In 2021, the Company has total revenue of 5,713 MB, considering type of product, it was found that 54.14% of the total revenue came from the sales of aluminum cans and tubes, which increased 8.8% compared to the previous year, and 45.86% of total revenue came from the sales of aluminum slugs, which increased 25.6% compared to the previous year. However, once focusing on the revenue by region, 23.2% of the total revenue comes from domestic sales which increased up about 3.3% compared to the previous year and 76.8% of total revenue came from exports, which increased 20.4% compared to the previous year.

#### Revenue Structure for the past 3 years as follows :

Value Unit: MB	2021		2020		2019	
	Value	%	Value	%	Value	%
Aluminium cans and tubes	3,093	54.14	2,843	57.68	3,342	60.80
Aluminium slug	2,620	45.86	2,085	42.32	2,155	39.20
<b>Total</b>	<b>5,713</b>	<b>100.00</b>	<b>4,928</b>	<b>100.00</b>	<b>5,497</b>	<b>100.00</b>

In this regard, the Company has set the Company's marketing strategy in Y2021 as follows:

#### 1. Quality of Products

The Company has a clear policy in operating business under various international quality certifications, the Company has continuously developed and maintained a quality system in the production of its products in accordance with the requirements of those quality assurance systems. This ensures that customers will receive quality products that meet their needs, be safe and suitable for use. Certifications received:

- ✓ ISO 9001:2015
- ✓ ISO 22000:2018 and ISO/TS 22002-4:2013
- ✓ Good Manufacturing Practice – GMP

## 2. Price

The Company has a policy of fair and reasonable product prices by taking into account the cost factors of various raw materials such as aluminum, which the prices of raw materials are constantly fluctuating. Therefore, the Company must consider the appropriateness of the selling prices that are consistent and appropriate to the cost of raw material, to be in accordance with market conditions and competition that can retain important customer groups.

## 3. Transportation

The Company has set standards for packing and delivery of products to customers on time and does not cause any damage to the products in order for customers to produce quality products for consumers around the world. The selection of a carrier whether by land, sea or air must be a carrier that meets the standards set by the Company and are ready and quick to deliver to customers within the agreed deadline.

## 4. Product Development

In Y2022, Alucon has development projects as follows:

- We have been focusing on sustainable operation. We are trying to find low-carbon materials including recycle materials and also have been trying to develop the aluminum alloy slugs for lightweight cans production.
- We have the environment committee which studies eco-friendly production for the future operation and for business sustainability.
- Solar panels will be installed in Building No.6 and Building No.7 for operation within this year. This is not only good for the environment, but also for reducing the cost of production and tax from BOI privileges. We have also continued the trees planting.
- Visual camera inspecting systems are applied more together with the automatic packing systems for saving the number of employees per production lines.
- We have been investing for improving the quality and efficiency in Slug Plant.
- We have been developing new bottle shaped cans to expand new markets.
- We will test 7 days/week operation instead of 6 days/week for some production lines. This makes more output with less cost of production.
- We have been training our employees for multi-tasking skills. This makes more output with less people.

## 5. Customer Satisfaction

The Company has continuously conducted a customer satisfaction surveys to understand the needs of customers in order to develop products and services that meet customer needs. In 2021, a survey found that customers are more than 85% satisfied. The company will use customer assessment data to analyze to improve performance, product quality, product development and better service.



## Products and Services Supply

In order to maintain its leadership in Thailand as a manufacturer of aluminum containers, the Company has regularly expanded and increased its production capacity in advance. To meet the increasing demand, the Company is the largest manufacturer in Asia in the category of aluminum preformed packaging containers.

As of 31<sup>st</sup> December 2021, the Company has the following machinery and equipments:

### 11 aluminium slugs production lines:

Each continuous slug production line consists of double strip un-coilers, levelling machine, slug blanking machine, continuous slug annealing ovens, in-line surface treatment (vibrating) machines and automatic robotized packing lines. Available is also one off line shot blasting machine for special slug surface requirements.

### 15 aluminum tube production lines :

each production line consists of slug tumbling machine, extrusion press machine, trimming machine, annealing oven, internal coating machine, internal baking oven, base coating machine, printing machine, drying oven, capping machine, latexing machine, etc.

### Plastic Injection Machine:

38 plastic injection machines with modern technology for producing caps for the Company's packaging containers.

### 2 aluminum coil production lines :

Each production line consists of melting furnaces, holding furnaces, in line melt rotary filtration unit, single belt continuous strip casting machine, hot rolling and cold rolling machines and double automatic strip coiling machines.

### 18 production lines for producing small, medium and large aluminium cans:

such lines can produce cans of various sizes. Each production line consists of a slug tumbling machine, extrusion press machine, trimming machine, washing machine, internal coating machine, internal baking oven, base coating machine, printing machine, over varnishing machine, drying oven, necking machine.

### Tool Room:

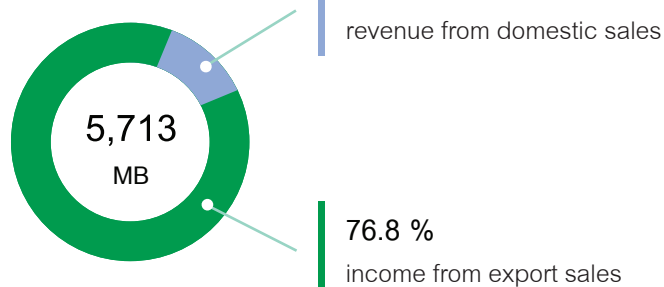
The Company has 2 tool rooms to produce tools, spare parts and to develop tools and equipment for internal operation.

The total number of slugs produced in Y2021 was 35,839.1 tons whereas the total number of aluminum tubes, aluminium cans and aluminium rigid wall containers in Y2021 equal to 701 million pieces.

## Proportion of product domestic and export sales

### 1. Sale Volume of Products

In 2021, the company has a total revenue at 5,713 MB, divided into revenue from domestic sales of 1,328 MB, or 23.2% of the company's total revenue and 4,385 MB from export sales, representing 76.8% of the total revenue of the Company.



Year	Domestic Sales	Export Sales	Total
2019	1,527	3,970	5,497
(%)	27.8%	72.2%	100%
2020	1,285	3,643	4,928
(%)	26.1%	73.9%	100%
2021	1,328	4,385	5,713
(%)	23.2%	76.8%	100%

Domestic customers accounted for 23.2% of total sales. The volume of domestic sales in Y2021 increased from Y2020 about 3.3%. Export sales was 76.8% of total sales. The volume of export sales in Y2021 increased from Y2020 about 20.4%, as the pandemic situation began to unfold and the lock down was released, allowing businesses to resume operations.

### 2. Growth Rate

Sales in 2021 increased from Y2020 about 15.9%, mainly due to the pandemic situation began to unfold, the lock down has been released, allowing the business to resume operations, for example, felt pens are sold more as the automobile industry resume business, both in China and USA, and hair salons have started to reopen, tubes for hair dye both in Thailand and abroad are sold more. At the same time, the price of aluminum increased greatly, causing the slug selling price to increase accordingly.

### 3. Sales by Regions

Sales revenue in Y2021 can be separated according to the geographical location as follows:

- Asia Pacific, amount of 3,615 MB
- Thailand, amount of 1,440 MB
- United State of America, amount of 428 MB
- Others, amount of 230 MB

## Industrial situation and competition

The Company operates as a direct and indirect manufacturer and exporter of aluminum tubes and cans in high volume continuously. Despite the trade war between the United States and China including the fluctuations in foreign exchange rates, in Y2021 the Company was able to produce 701 million pieces, while global production exceeded 22 billion pieces. Even though the Company can grow up to be the largest manufacturer in Asia, but once compared to the size of the world market, it is found that the Company has a market share of only 3%, despite the increased production potential. However, when compared with the competition in the world market, the Company continues to face volatility and escalating trade wars.

Thus, the Company focuses on building the strength of the organization by maintaining quality improvement, improving production, reducing waste, timely delivery of goods especially in terms of quality when compared to other manufacturers and found that the price of the Company's products is still competitive.

In terms of shipping costs to overseas customers, found to be a factor negatively affecting the company, it is one of obstacles in company's exports. Currency issues and foreign exchange risks are also presents. Both of these factors have a significant impact on company's competitiveness.

For slug business, although the Company faces strong competition same as the sale of other products but nowadays, the Company maintains slug production capacity as the largest manufactures in Asia and holds 7% market share worldwide.

## Capacity and Production Quantity

Products	Y2021		Y2020		Y2019	
	Total Capacity (Million pieces)	Capacity Utilization (%)	Total Capacity (Million pieces)	Capacity Utilization (%)	Total Capacity (Million pieces)	Capacity Utilization (%)
Aluminium Cans and Tubes	1,191	59	1,209	54	1,209	62
Aluminium Slugs	45,000	80	45,000	79	45,000	77

## Raw Material and Suppliers

The Company has a policy on procurement of various raw materials by striving to maintain, improve and enhance management processes to ensure accuracy and good understanding between users, buyers and suppliers.

Selection of raw material suppliers, the Company prioritizes the quality of raw materials in production by clearly defining the auditing standards and check the quality of raw materials regularly, to ensure that the raw materials being used will not affect the quality of the product including planning to purchase all types of raw materials in appropriate quantities for each period of production to prevent the shortage problem of raw materials affecting the production plan in each quarter.

In selection of the raw material supplier, the Company does not rely on purchasing raw materials from any single supplier in order to reduce the risk of material shortages and causing the possibility of production stoppage at any given time.

However, the main raw material of the process is aluminum, which must be imported and its price adjusted all the time and quickly. The Company has planned to purchase the raw materials in advance and stock of raw materials to ensure sufficient production; however, the price of aluminum fluctuates, which is one of main factors in calculation of product cost; therefore, it is a risk. The details of the risks will be disclosed in the relevant section.



## Assets used in Business Operations

The Company has assets for production of finished goods, consisting of land, machinery and equipment, buildings and structures, office equipments and vehicles as of the fiscal period ended 31<sup>st</sup> December 2021 are as follows:

Details	Type of Ownership	Book Values (MB)
1. Land and improvements	Owned by Alucon	242.80
2. Buildings and improvements	Owned by Alucon	778.17
3. Machines and equipment	Owned by Alucon	1,746.68
4. Furnishing, fixtures and office equipment	Owned by Alucon	1.57
5. Vehicles	Owned by Alucon	3.76
6. Spare parts for machines	Owned by Alucon	-
7. Assets between construction	Owned by Alucon	26.75

### Work in process

The Company's main activity is producing and distributing aluminum packaging to customers who used it to make consumer goods. The business produces products in accordance with pre-ordered specifications and effectively follows through on its plans. As a result, the products can be delivered on time. Work in process at any point in time is often only in production and waiting for delivery.

## 3. shareholding structure in Company

The Company does not hold shares in any company. The Company's major shareholders is a company that operates in the same industry as the Company. Takeuchi Press Industries Co., Ltd., a manufacturer of aluminum tubes and cans, is also our customer ordering aluminum slugs, aluminum tubes and cans from our Company as well.

## 4. Registered and paid-up shares

### 1. Company Securities

As of 31<sup>st</sup> December 2021, the Company has registered capital at Baht 432,000,000 divided into 43,200,000 common shares, in par value of Baht 10 and paid-up capital at Baht 431,999,860, which are the issued 43,199,986 common shares. The Company does not hold shares in any other company more than 10% of the registered shares.

### 2. Shareholders

List of 10 major shareholders as appeared in the Share Registration Book are as follows:

List of Major Shareholders	No. of Shares	% of all issued shares
1. Takeuchi Press Industries Co., Ltd.	30,954,329	71.65
2. Mrs. Mekhin Uer-anant	1,856,025	4.30
3. HEIWA KINZOKU CO., LTD.	1,800,000	4.17
4. Hartmuth & Illse Schneider Foundation for Children	1,236,975	2.86

List of Major Shareholders	No. of Shares	% of all issued shares
5. Mr. Harkishin Tanwani	1,200,000	2.78
6. Mrs. Pramila Rochsilthum	1,002,375	2.32
7. Mrs. Nalinrat Uer-anant	424,500	0.98
8. Mr. Rameth Rochsilthum	366,375	0.85
9. Mrs. Pariti K-manee	318,000	0.74
10. Ms. Naline Mahtani	259,975	0.60

**Remark:**

- The Company has no restriction on foreign shareholding according to the resolution of the Annual General Meeting dated 21<sup>st</sup> April 2016 as well as the Articles of Association, Clause 10 has also been revised and changed and no stipulation on foreign shareholding restriction anyway.
- Shareholding ratio as of 30<sup>th</sup> December 2021  
Thai shareholder: 902 shareholders holding 9,318,302 shares equivalent to 21.57%.  
Foreign shareholder: 27 shareholders holding 33,881,684 shares equivalent to 78.43%.

## 5. Other security issuance

The Company has never issued other securities.

## 6. DIVIDEND POLICY

The Board of Directors is responsible for announcing the dividend policy and presented to the shareholders' meeting for approval.

According to the Company's Articles of Association (AOA), distribution of dividend out of a source other than the profit is not permitted. In case the Company still registers an accumulated loss, no distribution of dividend is permitted. Distribution policy is at 50-70% of the net profit and income tax.

Distribution of dividends must be effected within one month from the date on which the shareholders' resolution or the Board of Directors' resolution was passed as relevant. Notice of distribution of dividend must be sent to all shareholders and published in a newspaper.

Dividend payment of the Company between 2016 and 2020 illustrated below:

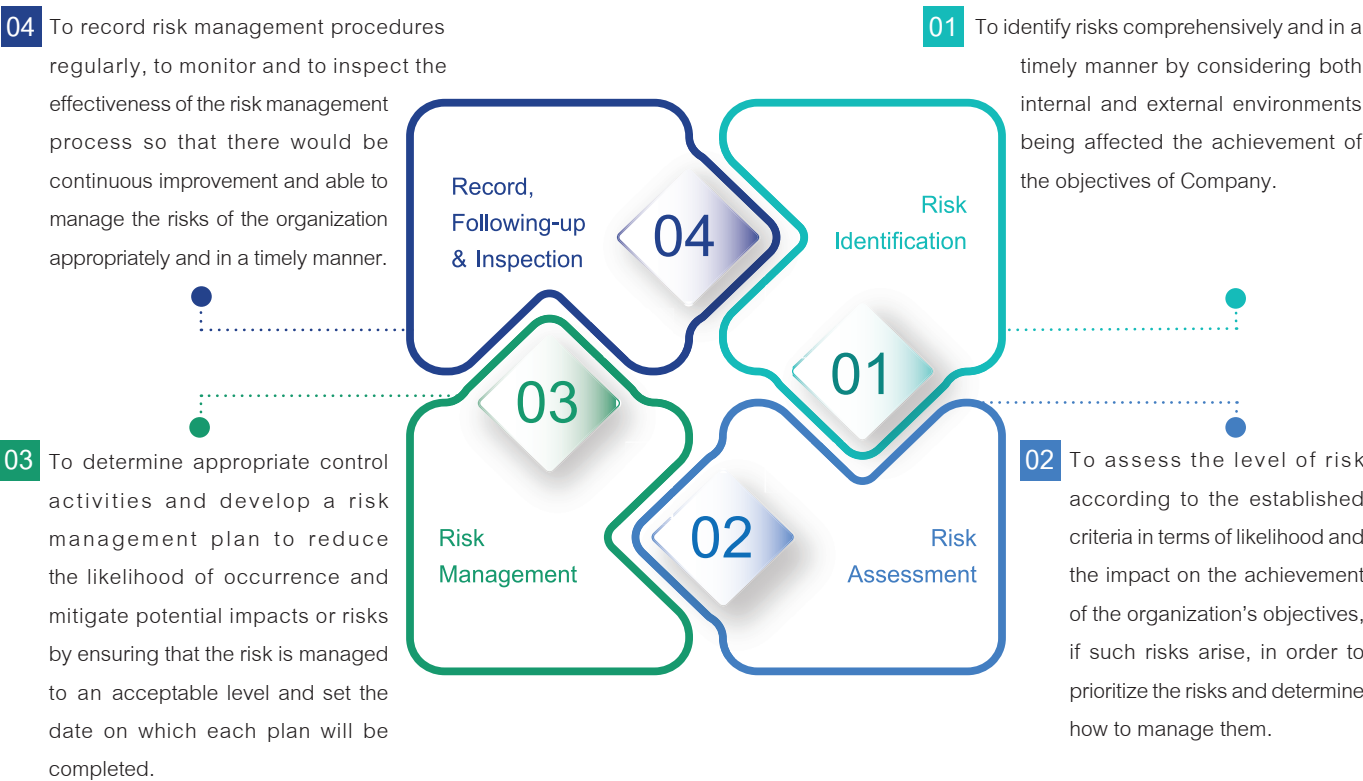
Year	Capital Stock (1000)	Net Profit (1000)	Dividend: (Baht/Share)	Dividend: (Stock/share)	Dividend: (Baht/Share)	Percent of net profit
2016	43,200	1,069,812	15.00	-	15.00	60.57
2017	43,200	783,739	11.00	-	11.00	60.63
2018	43,200	719,666	10.00	-	10.00	60.03
2019	43,200	532,116	7.50	-	7.50	60.89
2020	43,200	669,003	10.00	-	10.00	64.57

# Risk Management

The Company has appointed the Risk Management Committee being consisted of at least 2 independent directors and 1 executive director, with the objective of promoting organization-wide risk management and encouraged it as part of the Company's culture so that the stakeholders of the organization have reasonable confident that the strategic operations of the Company towards achieving the objectives and goals of the organization with efficiency and effectiveness.

The Risk Management Committee has appointed the Risk Management Working Team to support the operation of the Risk Management Committee to perform risk management operations with efficiency, effectiveness and ability to drive well.

## Risk Management Process



The Company has risks in its operations as follows:

### 1. Risk on Marketing

As for Alucon, sales revenue began to recover since the last quarter of Y2020 and improving every quarter of Y2021, revenue has increased in all types of aluminum cans and tubes segments. The sales of export slugs was higher significantly.



Alucon's products are still the same, which is to manufacture the packaging containers for distribution, which are

- Manufacturing Aluminium Collapsible Tubes: for hair colours, pharmaceutical creams, ointments, adhesives, etc.
- Aluminium Monobloc Aerosol Cans: for cosmetics, hair care products, perfumes, deodorants, air freshener, home use products and etc.
- Aluminium Rigid Wall Containers: for tablet tubes, felt pen bodies, tale cans, etc.
- Aluminium bottles: for cosmetics, beverages and products for automotive products, pesticides, and etc.
- Aluminium Slugs (Blanks), coils strips, plates, alloys : for the production of aluminium tubes and cans and alloy cans

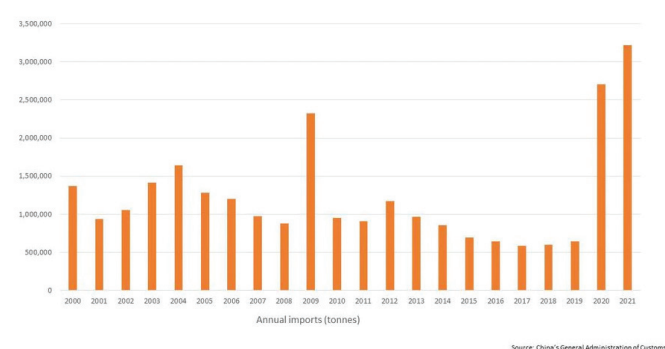
The Company maintains a policy to trade the abovementioned products for both domestic and international markets, both directly and indirectly, to over 31 countries around the world. This year, we focus on quick delivery, and competitive price. There is sufficient production capacity due to sluggish market conditions.

**Risk Management:** To produce quality products according to the specified standards, to create customer satisfaction, to minimize the waste rate, to deliver goods on time at competitive prices and to develop products using less raw materials in order to reduce costs, increase product variety, use proactively marketing, improve technology to reduce manpower, and to focus on sustainable production that is safe and environmentally friendly.

## 2. Raw Material Risk

In Y2021, commodity prices are highly volatile, affected by global supply chain problems. This year, Chinese authorities announced the Dual Control Policy from the end of Y2020. As a result, mining and heavy industry in China had to be shut down in many provinces causing the amount of raw materials used in manufacturing, such as aluminium, is insufficient for domestic usage.

China's annual imports of aluminium reaches record highs in 2021 at 3.2 million tonnes



As a result, the price of aluminum ingots with purity of 99.7 percent in the world market began to rise since the fourth quarter of Y2020 and continued to increase throughout Y2021.

5-year aluminium price chart



In addition to the high price of aluminum this year, another factor that increases the cost of raw materials is oil prices, freight rates, container shortages. All of these factors have resulted in significant increases in production costs.

However, the Company still has a policy to focus on environmentally friendly production. We try to use Hydro Aluminum made from water energy, together with aluminum powered by coal and natural gas.

**Risk Management:** When the price of aluminum starts to rise, the Company, with good financial liquidity, split the purchase among multiple sellers. The Company can negotiate the premium at different periods and aim to buy sufficiently to meet the needs of customers and trying to find new sources of aluminum from a variety of environmentally friendly energy sources.

### 3. Foreign Currency Risk

Due to Company's import transactions including the purchase of raw materials, machinery and equipment, short-term loans, as well as its export transaction involving the sales of products in foreign currency. As a result, it is impossible to make precise predictions about the currency's exchange rate.

**Risk Management:** By establishing a Natural Hedge using foreign currency accounts, the company is able to mitigate such risks. When receiving foreign currency from customers,

it will be accounted for in the major currency, such as the US dollar, Japanese yen, and so on, primarily for the purpose of paying for goods and repay loans. By taking advantage of the equilibrium, this saves costs on foreign currency purchases. In addition, there are also sales in other currencies such as Australian Dollar, Hong Kong Dollar, in order to spread the risk as well.

### 4. Credit Risk

The Company distributes the products in both domestic and international markets using credit term by selling to related company, global companies, medium companies and small companies. Some companies have dealt business with us for long time and are loyal customers. However, there are also risks that payment will not be made or delayed because of lack of cash flow.

**Risk Management:** The Company has implemented a more stringent credit policy. A preliminary evaluation of financial situation and data analysis is required in the case of a

domestic customers. There is also a prepayment for a period of time at the start of the business. Large customers can be relied on their trustworthiness for a while. It is vital to consider the company's reputation while dealing with overseas customers who are international. Before the transaction can proceed, a contract must be signed. However, if they are general customers, the payment condition by letter of credits by reliable bank shall be determined. The period for payment, or payment term or partial payment may be determined differently on contract signed date etc.

### 5. Risk from Packaging Material Substitute

At present, the packaging needs of customers are focused on environmentally friendly production. Aluminum is quite expensive and fluctuates all the time. It may be substituted with cheaper or more suitable raw materials such as Tin Plate or Plastic. Laminate are also being utilized to replace aluminium tubes. It is likely that aluminum will make a comeback. This is because laminate tubes are not environmentally friendly and decomposes harder and longer than aluminum.

**Risk Management:** To manufacture quality products, to improve standards and production procedures that increase efficiency, to reduce scrap from production processes, to develop with lower cost production using less raw materials, innovate light weight products but the same performance such as to produce alloy slugs to produce aluminum alloy cans etc. This is to improve the price competitiveness and to add more product variety such as aluminum bottles for automotive products.

### 6. Risk from Labour Cost

In Y2021, there were no labor shortage as orders are placed gradually. However, labor costs still need to be adjusted to match the labor market and to boost employees morale. Therefore, labor costs are still increasing.

**Risk Management:** To continually develop internal technician training courses, to develop personnel with multitasking skills in production, to work interchangeably. More modern equipment and techniques being used, etc.

# Driving Business towards the Sustainable Development Goals

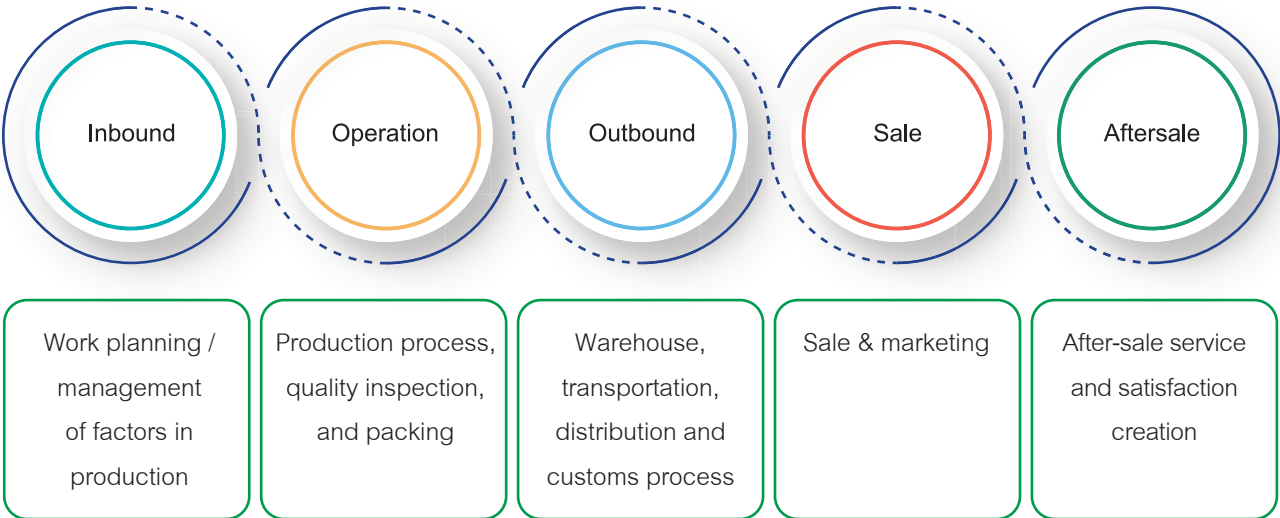
## 1. Policy and Target for Sustainable Development

The Company adheres to sustainable development as a guideline to conduct business on the basis of economic, social and environmental responsibilities, to create shared value for stakeholders.

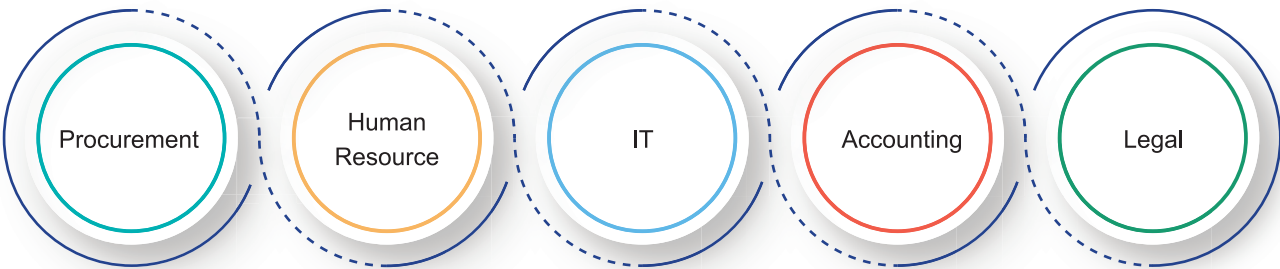
## 2. Management of impacts on stakeholders in the business value chain

### 1. Business value chain

#### 1. Main Value Chain



#### 2. Supporting Value Chain



## 2. Analysis on Stakeholders in Business Value Chain

The company considers the following key issues:

Stakeholders	Participation Channel	Expectation	Operation Guidelines
Employees	<ul style="list-style-type: none"> <li>● Notice of Company, Employee committee, labour union</li> <li>● Training and orientation</li> <li>● Video media</li> <li>● Other activities</li> <li>● Complain channels provided by Company</li> </ul>	<ul style="list-style-type: none"> <li>● Good wages and welfare</li> <li>● Good career paths</li> <li>● Being developed on knowledge and career skills</li> <li>● Good quality of life and safety at work</li> </ul>	<ul style="list-style-type: none"> <li>● Paying wages and welfare appropriately</li> <li>● Encourage growth in the line of work that is consistent with their knowledge and skills of employees</li> <li>● Provide opportunities for employees to participate in welfare management and quality of work life such as joining the Welfare Committee, the Occupational Health and Safety Committee</li> <li>● Convenient workplace facilitating efficient, safe and clean work</li> </ul>
Shareholders	<ul style="list-style-type: none"> <li>● Annual General Meeting</li> <li>● Annual Report</li> <li>● Information via SET Channel</li> <li>● Company Website</li> <li>● Channel to contact Company Secretary and Investor Relation</li> </ul>	<ul style="list-style-type: none"> <li>● Good return on investment</li> <li>● Good corporate governance</li> <li>● Sufficient disclosure on information relating to investment decision</li> </ul>	<ul style="list-style-type: none"> <li>● Respect the right of shareholders to receive necessary and truthful information as required by the Stock Exchange of Thailand (SET) and Securities and Exchange Commission (SEC)</li> </ul>
Customers	<ul style="list-style-type: none"> <li>● Sending information to customers regularly</li> <li>● Visiting customers for meeting to review details and to listen to the recommendation and information from customers</li> <li>● Attending exhibition to meet customers</li> <li>● Customers satisfaction survey</li> </ul>	<ul style="list-style-type: none"> <li>● Product of quality and safety</li> <li>● On-time delivery</li> <li>● Reasonable price</li> </ul>	<ul style="list-style-type: none"> <li>● Continuously develop product to meet various demands</li> <li>● To build confidence for customers in quality of product and treat customers fairly and equally in order to develop and maintain good relationship.</li> </ul>

Stakeholders	Participation Channel	Expectation	Operation Guidelines
Business Partners	<ul style="list-style-type: none"> <li>● Communication via electronic mail and telephone</li> <li>● Visiting business partners</li> <li>● Meeting with business partners to develop products or materials to be in line with our products</li> </ul>	<ul style="list-style-type: none"> <li>● Fair and transparent selection</li> <li>● Timely and fair payment terms</li> </ul>	<ul style="list-style-type: none"> <li>● Taking into account the mutual benefits</li> <li>● Create opportunities and exchange information to develop good products.</li> <li>● Provide support to partner activities</li> </ul>
Social/Community	<ul style="list-style-type: none"> <li>● Participation with the communities and listen to comments, problems and recommendations</li> </ul>	<ul style="list-style-type: none"> <li>● Business operations that do not affect the quality of life of the community, environment and society</li> <li>● Support activities that create value and quality of life of the community</li> </ul>	<ul style="list-style-type: none"> <li>● Conducting community projects to support health and community development in various forms</li> <li>● Monitor the quality of the environment around the community</li> </ul>
Competitors	<ul style="list-style-type: none"> <li>● Business operations</li> </ul>	<ul style="list-style-type: none"> <li>● Behave within the framework of good competition rules</li> </ul>	<ul style="list-style-type: none"> <li>● Do not seek competitors' confidential information through dishonest or inappropriate means.</li> <li>● Make no fault charges or misinterpretations of the truth to harm competitor's reputations.</li> </ul>

### 3. Management of environmental sustainability

#### 1. Environmental Policy and guidelines

##### 1. Environmental Policy

Alucon Public Company Limited is a manufacturer of aluminum packaging by emphasizing on production of good and high quality products and realizing on the responsibility to employees, communities, society and the environment. The Company shall arrange the environmental management system to be a part of the business operation, taking into account the impact on the environment in every production process. This shall be seriously practice and continuously develop under the Company's policy.

##### 2. Practices

1. To promote and strictly comply with laws, regulations and other relevant environmental regulations.
2. To establish plans, management and monitoring to prevent problems that will affect employees, communities and the environment.
3. To promote improvement and develop environmental management system operations on a regular and continuous basis.



4. To promote and support sufficient resources for the implementation of the environmental management system, including personnel and budgets.
5. The Company will strive to prevent pollution and use energy efficiency, also use energy-saving and environmentally friendly technology.
6. To train and build environmental awareness for employees at all levels, as well as to support and encourage everyone to participate in.

## 2. Environmental operating results

In Y2021, the Company has taken action related to the environment, to be consistent with the laws in all 4 areas as follows:

1. Energy management
2. Water management
3. Waste, scrap and pollution management
4. Management to reduce greenhouse gas emission

The performance in sector of energy, water, waste, scrap and pollution are in accordance with the laws.

In Y2021, the Company has begun to reduce greenhouse gas emissions by sourcing some of raw materials using clean energy in production process. Also, there is the environmental working committee to work together on protection of the ecosystem, in order to reduce global warming and continually recover the natural environment.

## 4. Social sustainability management

### 1. Social policy and guidelines

The Company is committed to operating on social impact responsibility by adhering to the principles of transparent, assessable, ethical business practices, respect for human rights and benefits of stakeholders and is also committed to produce quality aluminum packaging, to create customer satisfaction and safety for consumers taking into account the impact on the community and the environment by complying with applicable laws and other requirements or other relevant practices including determination to develop and improve to create social responsibility basis continuously and sustainably.

#### 1. Human right Policy

The Company treats all stakeholders with justification by adhering laws and regulations concerning employees and the international fundamental principles of human rights, regardless of the place of birth, nationality, gender, age, skin colour, religious belief, disability, status, family status, educational institute, or other status irrelevant to job performance, apart from respecting individualism and human dignity.

#### 2. Quality Control

The Company has set the policy to remain the leading producer of aluminium packaging containers in the Asia Pacific region with concentration on:

- Producing the aluminium packaging containers at the highest quality standard; operating its factories with continuous improvement; ensuring on-time deliver and conforming to product safety requirement under mutual agreement with customers.
- Ensuring training to all employees to understand on quality policy and encouraging the work performance.
- developing good communication and creating good co-operation amongst the colleagues both internal and external.

### 3. Occupational health and safety standards in the work environment.

The Company focuses on employees to strictly adhere to the policy as follows:

1. it is assumed that responsibility for safety in the workplace is first priority in the performance of all employee.
2. Alucon shall continue to promote and encourage the improvement of working conditions and environment in a safe condition.
3. Alucon shall continue to promote and encourage safety activities that can stimulate employee awareness of safety and environmental organizations working in such good public relations such as training, public announcement, exhibitions and competition.
4. All levels of management must act as a good role model in arranging the safety workplace and environment in order to motivate employees to follow.
5. Employees must be conscious of the safety in workplace either of themselves and their colleagues, as well as assets of the Company throughout the working time.
6. Taking care of cleanliness and tidiness in the working area is the duty of every employee.
7. Employees must be in cooperation with Alucon to ensure safety in workplace and good surrounding environment.
8. Employees are eligible to propose their ideas or plans to improve the safety conditions of working area.

### 4. Social and Community Responsibility Policy

The Company has the Policy on Social and Community Responsibility as follows:

1. Alucon regards that the responsibility to society is responsible for the conduct of all employees.
2. Alucon shall promote and support the implementation of CSR on environmental protection, in order to improve the quality of employees' life and local community can be lived with each other happily.
3. Alucon shall continue on promoting and supporting the employees' activities engaged with the local community including awareness.
4. All levels of management must act as a good role model in encouraging the good responsibilities to society on environmental protection and participation on local community development. This is to motivate employees to follow.
5. Employees must be aware of the company's responsibility to society in terms of environmental protection and participation in local community development.

## 2. Social Performance

The Company emphasized on the management of sustainability in social aspects, namely employees, customers, safety, and social and community aspects. In the previous year, the Company has no complaint about disrespect for human rights among employees, customers and communities.

The Company has announced its intention to participate in the project of the implementation of the standard of responsibility for Society of Entrepreneurs (CSR-DIW), which is a project to promote industrial factories to have social responsibility and sustainable community which received an award from the said project from the Department of Industrial Works on 27<sup>th</sup> October 2021.



## 1. Human Rights

The Company has guidelines on human rights as follows:

1. To respect human rights, respect each other and treat each other equally without discriminate.
2. To comply with the Company's rules and regulations, to prevent the risk of human rights violations in business operations.
3. To communicate, disseminate, and provide any other support to employees and business partners to engage in ethical business operations and to adhere to the respect for human rights.
4. To monitor and assess the risks and impacts of human rights regularly.
5. To provide a process for reviewing information or complaints related to human rights in order to resolve and prevent human rights violations.
6. To provide opportunities for employees and stakeholders to express their opinions, reflect on problems and notify clues or complaints if witnessing events or actions related to human rights violations.
7. Human rights violations are considered as violations of the Company's Code of Conduct which must be treated under disciplinary action according to company regulations.

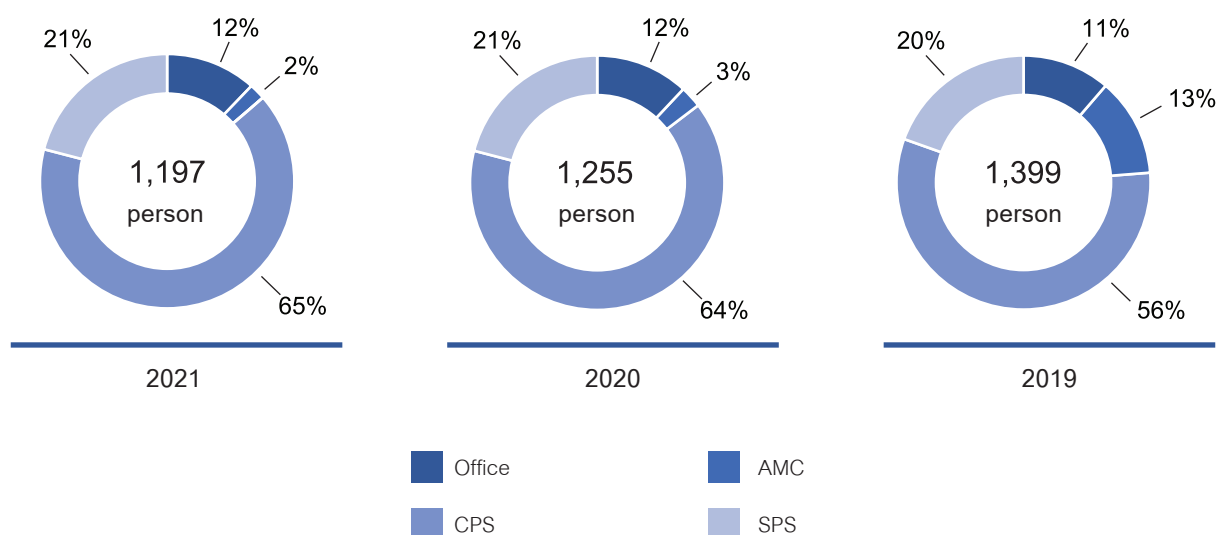
## 2. Employee Management

The Company respects on fair treatment of workers by realizing that employees are the important factor to promote the Company's success and achieve set goals which can be summarized in details as follows:

### 1. Number of Employee

As of 31<sup>st</sup> December 2021, the Company has a total of 1,197 employees, which can be categorized on each localization as follows

Area	2021	2020	2019
Office	138	150	157
AMC	24	35	177
CPS	781	804	791
SPS	254	266	274
Total	1,197	1,255	1,399



For the compensation of employees in Y2021, being consists of salaries, bonuses, employee's savings, and others, totaling 734 MB whereas, the Company considers employee compensation in accordance with the Company's performance but must comply with 3 principles which are (1) must be fair within the company (Internal Equity) (2) must be able to compete with the outsiders (External Competitive) (3) must motivate employees (Motivation) to make employees of the Company work happily.

## 2. Employee Welfare

In addition to compensation in form of salary and bonuses, the Company has provided other benefits to employees in various kinds as follows:



Provident fund as it was incorporated on August 2020 voluntarily by employees;



Employees pension



Health benefits and life insurance



Lunch and scholarships for employees' children with good study grade

## 3. Labor Disputes and Resignation Rates

As of 31<sup>st</sup> December 2021, the Company has 1 labor union, but there is no labor dispute or lawsuit or have been sued in any way and there are new employees and resignations in 2019 - 2021 as follows:

Year	Number of Employee as of the end of year	New	Resigned	%
2021	1,197	8	66	5.3
2020	1,255	25	169	12.1
2019	1,399	16	116	8.1

## 4. Employee Recruitment

The Company emphasizes on human resource development starting from the recruitment process by adhering to the transparent principles and operates with an equal and fair system

## 5. Employee Training and Development

The Company emphasizes on personnel development because the Company believes that personnel are important factors to boost up the Company to be number one leader in the aluminum packaging industry. The Company has provided internal and external trainings, which is divided into 3 courses as follows:

- Basic Courses: Training to review the understanding of work and enhance work efficiency as well as create a good attitude to work such as employee orientation Work regulations (WI), general knowledge of company regulations, etc.
- Development courses: Training employees at the supervisor levels and above or a person who is preparing for a supervisory position or above which will be promoted and enhanced the efficiency of employees to manage subordinates to be effective, such as skills for supervisors, executives safety.
- Specific courses: Training related to their work that employees are performing, such as the new accounting standards, new machine techniques or training new stock exchange rules for company secretary, etc.

In Y2021, the Company has organized training courses for employees in a total of 47 courses, totaling 27,997 hours, representing the average number of hours of training for employees per year as 23.21 hours per person per year including the budget for training expenses in total 238,862 Baht.

New employees will be trained to educate on the vision, mission, regulations and guidelines, to understand their responsibilities and duties.

	2021	2020	2019
No. of Course	47	55	146
No. of Attendants (person)	1,206	1,274	1,435
Average of training hour per person (hours)	23.21	23.28	27.05

#### 6. Equal Treatment of Employees

The Company recognizes the importance of treating all employees equally. From the process of selection of persons, appointment, and promotion to suit their duties and responsibilities according to knowledge and potential of employees without prejudice or using a kinship or family system to measure performance. In addition, the Company provides opportunities for employees at all levels to express their opinions and suggest work practices through various channels to cooperate in the development of the organization.

#### 7. Communication on Employee Comments

In order to survey the satisfaction or happiness in the performance of each employee's duties, the employees have opportunity to express their opinions through various channels and offer ideas and ask for information. This is to give employees confidence and stability in their work. In addition, the Company also has a policy for employees to file complaints to the Board of Directors through the channels specified by the Company according to the Whistle Blowing Policy so that employees have channels to report problems including fraud or corruption in accordance with the Anti-Corruption Policy that the Company has always adhered to.

#### 8. Creation on Good Quality of Life at Work

The Company recognizes the importance of good quality of life for its employees, which will encourage employees to work fully and efficiently. Therefore, the Company takes care to ensure that the workplace is safe and hygienic and does not cause adverse effects on health or does not cause health effect including creating an atmosphere of the workplace to be orderliness by implementing 5S policies effectively.

The Company provides measures to prevent the spread of COVID-19 virus within the Company and control the spread of the COVID-19 outbreak by stipulating measures and guidelines for employees to strictly follow in accordance with the Ministry of Public Health's regulations.



## Supplier and Customer Management - Quality Control

With regard to the achievement on the success on good management, the Company must have good recommendation and control with effective and transparent system. Thus, the Company uses 8 quality management principles as the basis of the quality management system.

1. Customer focus
2. Leadership
3. Employee involvement
4. Process management methods
5. Systematic management
6. Continuous improvement
7. Making decisions based on facts
8. Relationship with partners for mutual benefit

In Y2000, the Company received the ISO9002 standard and later ISO9001:2008. Until 2017, the Company received the ISO9001:2015 standard, which is the standard that defines the latest version of the quality management system by focusing on systematically creating customer satisfaction. It is also certified ISO 22000:2018 and ISO/TS 22002-4:2013 to support product safety standards for the production of products for the company's customers.

The Company also received a certificate, trophy and awards to mark the quality of products that are accepted among the company's customers more than 300 customers around the world.

## Management of safety, occupational health and working environment

With regard to the safety, the Company has appointed the Safety Committee to perform duties in overseeing, inspecting, strategizing, suggesting and taking any action related to work safety.

The Company has organized activities to campaign for safety for the employees especially to build good awareness among employees.

In Y2021, there were accidents from work 6 times with 6 employees receiving 77 days of work break.

## 4. Management Discussion and Analysis (MD&A)

### 1. Operational overview and significant changed

#### 1. General Overview

The company was started by Hartmuth Wilhelm Schneider. In 1961 and later in 1995, there were joined with Takeuchi Press Industries Co., Ltd., which manufactures and sells aluminum tubes and cans in Japan. At present, the company Takeuchi Press Industries Co., Ltd. is the major shareholder by holding shares, including direct and indirect, totaling 71.65 percent, with Mr. Takaaki Takeuchi is the managing director. The business has continued to expand the aluminum packaging business until today.

The company aims to become the best and largest production in the world at a lower cost , increase productivity , reduce scrap rates, good quality products for customer satisfaction and reduce carbon dioxide emissions to improve environmental sustainability.

In the past year, 2021 The Company's operating results are summarized as follows:

- Total revenue increased 17.7% from 5,072 MB to 5,972 MB
- Net profit after tax increased 5.3% from 669 MB to 704 MB
- Production Aluminium Tube and Can increased 9.5% from 640 million pieces to 701 million pieces
- Production Aluminium Slug increased 0.8% from 35,550 tons to 35,839 tons

The Company has revenue structure by segment as below :

List	2021	2020	Change %
Tubes and Cans	3,092.9	2,842.6	8.8
Slugs	2,619.7	2,085.4	25.6
Total	5,712.6	4,928.0	15.9

Total revenue 2021 increased 17.7%, while net profit after tax increased 5.3% mainly due to higher LME prices . As a result, the selling price of aluminum coins was also higher.

The main factor that contributed to the increase in profits is the better productivities including the consolidation production plant between Samrong and Sriracha plants helps to save energy and other manufacturing overhead costs. As well as the increased volume of aluminum tube and cans from customer orders. This reduces the cost of producing aluminum tubes and cans.

## 2. Economic and Industrial conditions affecting operations

After approval of the covid-19 vaccine as a result, global economic growth for 2021 has recovered. Exports to major export markets continue to expand. Although partially slowed by the effects of the COVID-19 pandemic in many countries. The uncontrolled factor is that the Thai Baht fluctuates. Baht depreciation against US\$ 2% from average 31.85 compared to 2020 average of 31.21 Baht per U.S. dollar had increased export sales 0.9%.

The main raw material aluminium ingot is commodity product that fluctuate with global market prices. This also affects to selling price therefore managing inventory at the right level reduces the risk of losses from changing in aluminium prices.

## 3. Policies, strategies, or business decisions

The company improves standards and production methods that increase productivities, lower cost by reducing scrap in the production process and lower-cost production has been developed in terms of using less raw materials and lighter weight but same quality, such as produce from alloy slug, alloy aluminum can etc. To improve price competitiveness and increase wider range of products, such as aluminum bottles for beverages and automotive products. And it has invested in machinery and equipment to increase production efficiency, improve quality and energy saving equipment. The company focuses on expanding revenue from existing capacity, supporting customer needs and improving modern technology to accommodate growing demand. Produce quality products On-time delivery Increase production capacity and minimize waste Streamline production to be more automated to win competitiveness while building good relationships with all customers. There is an idea and focus on continuous cost reduction, such as how to produce, how to use less raw materials but the quality remains the same.

The competitive trend, especially aluminium packaging, is quite high because there are more small and large entrepreneurs with increasing production capacity as well. Meanwhile, the market is recovering from the pandemic situation. The business is starting to resume. As a result, sales of products are starting to return and getting better, such as the automotive business getting back into operation, tube and pen sales are improving, and hair salons are allowed to open as normal so Tubes for hair colour sell better as well.

For currency fluctuations, company maintains the same policy: when receiving foreign currency from receiving payments from customers, it is deposited in the account of the main currency, such as the US dollar, Japanese yen, etc., which has opened an account with a commercial bank in Thailand. The objective is to pay for raw materials, import spare parts, machinery and equipment and at the same time can save the cost of buying foreign currency.

## 4. Describe them separately by product lines or key business groups.

No details

## 5. Explained compared to estimates or previously disclosed.

In 2021, the Company did not disclose any estimates.

## 6. Describe the cause or operation. In case the auditor expresses a conditional opinion / does not comment / has important observations

In the financial statements ended 31 December 2021, the Auditor audited such financial statements without expressing conditional opinion, does not comment, or any significant observation that had an impact on the Business.

## 7. Describes the selection or significant change in accounting policies.

In 2021, the financial statements were prepared in accordance with financial reporting standards, including accounting practices enacted by the Federation of Accounting Professions. Regulations and Notifications of the Securities and Exchange Commission During 2021, the Company has made no significant changes to its accounting policies.

## 8. Describes items that do not occur regularly.

In 2021, there are no items that do not occur regularly.

## 2. Performance and profitability

### 1. Revenue from Sales

The Sales for the year 2021 was 5,712.6 MB increased by 784.6 MB from 4,928.0 MB compared with the same period in 2020 or 15.9% increase was divided into sales revenues by segment as follows:

Unit : Million Baht (MB)

List	2021		2020		Change	
	Amount	%	Amount	%	Amount	%
Cans and Tubes	3,092.9	54.1	2,842.6	57.7	250.3	8.8
• Export sales	1,768.1	31.0	1,562.3	31.7	205.8	13.2
• Domestic sales	1,324.8	23.2	1,280.3	26.0	44.5	3.5
Slugs	2,619.7	45.9	2,085.4	42.3	534.3	25.6
• Export sales	2,617.1	45.8	2,080.6	42.2	536.5	25.8
• Domestic sales	2.6	0.0	4.8	0.1	(2.2)	(45.8)
Total sales	5,712.6	100.0	4,928.0	100.0	784.6	100.0

Sales increased of 784.6 MB Sales of aluminum cans and tubes increased by 250.3 MB, or 8.8%, with an increase of 250.8 MB or 13.2% increase in export sales, while domestic sales increased by 44.5 MB, or 3.5%. Sales of Slug increased by 534.3 MB, or 25.6%, mainly from exports to the country. UAE( Dubai), Japan, Australia and Malaysia and sales prices increased with global market prices.

### 2. Other Income

Other revenues of 167.3 MB Increased by 53.4 MB. This is mainly due to the increased number of aluminum scrap and the increasing in aluminum scrap prices cause from LME price. Mainly consisting of Aluminium baled scrap which are scrap from production process sold to other industries for recycled.

### 3. Cost of goods sold and gross margin

The Company's Sale revenue for 2021 was 5,712.6 MB increased 15.9% from 4,925 MB. The increase in cost of sales increased by 19.7 % from 3,959.6 MB in 2020 to 4,738.6 MB in 2021, mainly from aluminium Ingots price, major raw materials, was increased by about 41% and increased gas price 24%. In summary, the cost of goods sold increased by 779 MB. Gross margin increased by 5.6 MB, or 0.6 %.

Unit : Million Baht (MB)

List	2021		2020		Increased/(Decreased)	
	Amount	%	Amount	%	Amount	%
Revenue from sales of goods	5,712.6	100.0	4,928.0	100.0	784.6	15.9
Cost of goods sold	4,738.6	82.9	3,959.6	80.3	779.0	19.7
Gross Margin	974.0	17.1	968.4	15.4	5.6	0.6

#### 4. Selling and Administrative expenses

In 2021, the Company's total selling and administrative expenses amounted to 353.2 MB, or 5.9% of the total revenue, consisting of selling costs of 214.1 MB. 3.6% of total revenue and administrative expenses of 139.0 MB that's 2.3% of total revenue.

The Company's selling costs increased from 72.4 MB a year earlier, or 51.1 % increase, mainly due to increased export freight cost. Administrative expenses decreased from 3.7 MB in the previous year, or 2.6%.

Unit : Million Baht (MB)

List	2021		2020		Increased/(Decreased)	
	Amount	%	Amount	%	Amount	%
Cost of selling and administrative expenses						
● Selling expenses	214.1	3.6	141.7	2.8	72.4	51.1
● Administrative expenses	139.0	2.3	142.7	2.8	(3.7)	(2.6)
Total	353.1	5.9	284.4	5.6	68.7	24.2

#### 5. Gain/Loss on exchange rate

Net foreign exchange gain was 92.6 MB in year 2021 from recognized foreign exchange differences arising on received/ payment in foreign currency and from revaluation of Account Receivable and Account payable in foreign currencies to Thai Baht which was mainly from US Dollar.

#### 6. Finance Cost

In 2021, the company has no financial costs.

#### 7. Corporate Income Tax

In 2021, the Company has corporate income tax 176.5 MB, increased 17.1 MB came from profit before tax increased 52.3 MB. In this regard, the Company has been granted promotional privileges to improve production efficiency through solar roof project for exemption and/or reduction from payment of corporate income tax. As a result, CIT decreased by 11.8 MB.

#### 8. Net Profit

In 2021, the Company's net profit increased by 35.2 MB, or 5.3 % from 669 MB to 704.2 MB.

In 2021, profits from the new measurement of defined employee benefits- net of income tax were recognized as 23.1 MB. In other comprehensive income, the total comprehensive income for 2021 was 727.3 MB.

#### 9. Return on Equity

The 2021 shareholder return (ROE) was 11.25%, increase from 11.22% in 2020, as the company's net profit margin increased by 5.3%.

For the year 2021, the Board of Directors has approved the dividend payment and to present it to the AGM on April 25, 2022 at the rate of Baht 10 per share or at the dividend yield of approximately 5.5% per annum (dividend rate of Baht 10/share price as of Baht 30/12/21, equivalent to Baht 183 per share) and a dividend of 61.34% of net profit and dividend payment on May 17, 2022.

### 3. Asset management capabilities

Unit : Million Baht (MB)

Statement of financial position	31-Dec-21		31-Dec-20		Change	
	Amount	%	Amount	%	Amount	%
Cash and cash equivalents	1,185.3	16.6	1,125.8	16.6	59.5	5.3
Trade accounts receivable	1,133.4	15.9	759.7	11.2	373.7	49.2
Inventories	1,860.6	26.0	1,014.9	14.9	845.7	83.3
Refundable value added tax	49.9	0.7	10.6	0.2	39.3	371.7
Other current assets	26.2	0.4	19.9	0.3	6.3	31.7
<b>Total current assets</b>	<b>4,255.4</b>	<b>59.6</b>	<b>2,930.9</b>	<b>43.1</b>	<b>1,324.5</b>	<b>45.2</b>
Other non-current financial assets	51.2	1.8	701.1	18.1	(649.9)	(92.7)
Property, plant and equipment	2,799.7	39.2	3,130.8	46.0	(331.1)	(10.6)
Intangible assets	6.2	0.1	7.5	0.1	(1.3)	(17.3)
Deferred tax assets	30.2	0.4	28.5	0.4	1.7	6.0
Other non-current assets	0.3	0.0	0.3	0.0	-	-
<b>Total non-current assets</b>	<b>2,887.6</b>	<b>40.4</b>	<b>3,868.2</b>	<b>56.9</b>	<b>(980.6)</b>	<b>(25.4)</b>
<b>Total assets</b>	<b>7,143.0</b>	<b>100.0</b>	<b>6,799.1</b>	<b>100.0</b>	<b>343.9</b>	<b>5.1</b>

The Company's total assets as at December 31, 2021 totaled 7,143 MB. This is up from the end of last year to 343.9 MB. This is 5.1% detailed compared to the end of last year as follows:

- Cash increased by 59.5 MB. Please refer to the cash flow statement analysis
- Trade account receivables  
Trade account receivables of 1,133.4 MB, 373.7 MB increased. This represents a 49.2 % increase due to an increase in sales of cans, aluminum tubes and slug aluminum, with the average collection period for 2021 being 58 days, compared to the previous year, which was 49 days.
- Inventory  
Inventories of 1,860.6 MB increased by 848.7 MB. This represented an 83.3 % increase, mainly due to an increase in aluminium ingot in amount. The ration rate of inventories in 2021 is 2.6 times less than in 2020.
- VAT  
VAT is subject to a refund of 50 MB. The Company has now approved vat refunds from the Revenue Department in January and February 2022.
- Other non-current financial assets decreased from the sale of investments in Thai Cash Management Fund by 649.9 MB.



- Property, Plant & Equipment

Property, Plant and Equipment amounted to 2,799.7 MB. Decreased by 331.1 MB. Because the company has no investment in the new production line. In 2021, the company invested more in machinery and equipment to increase efficiency and improve production systems by 84 MB. Accumulated depreciation increased by 364 MB.

- Deferred tax assets

Deferred tax assets amount to 30.2 MB Increased by 1.7 MB due to a decrease in deferred tax assets from the payment of employee benefit obligations.

#### 4. Liquidity and capital adequacy

##### 1. Source and uses of funds

Unit : Million Baht (MB)		
Cash Flow	31-Dec-21	31-Dec-20
Net cash from (used in) operating activities	(60.8)	1,446.1
Net cash from (used in) investing activities	552.3	(880.1)
Net cash used in financing activities	(432.0)	(324.1)
Net increase in cash and cash equivalents	59.5	241.9
Cash and cash equivalents at 1 January	1,125.8	883.9
Cash and cash equivalents at 31 December	1,185.3	1,125.8

Cash flows from operating activities of 60.8 MB Net profit of 704.2 MB Add back non-cash expenses of 648.3 MB. The decrease in cash flow was mainly due to an increase in trade receivables of 372.9 MB. Inventories 852.8 MB Payment of corporate income tax 176.7 MB Employee benefit payment 35.5 MB.

Cash flow received from investment activities amounted to 552.3 MB. Mainly from the sale of investments in Thai Cash Management Fund and paying to purchase machinery and other equipment for production-enhancing.

Cash flows used in financing activities amounted to 432 MB dividend payments.

In summary, the Company had a net cash increase of 59.5 MB, combined with cash at the beginning of the period of 1,125.8 MB. As a result, cash at the end of the period was 1,185.3 MB.

##### 2. Capital structure

The Company has increased its liquidity ratio from 8.28 times to 9.84 times and the debt-to-equity rate is 0.14 and 0.14 times by 2020. Demonstrates strong financial structure and careful caution in financial management. Able to maintain the debt-to-equity ratio at a satisfactory level.

##### 3. Investment expenditures

During 2021, the Company paid approximately 84 MB in machinery and equipment to increase efficiency and capacity and intangible assets.

#### 4. Liability

The Company has total current liabilities of 432.4 MB. This increased from 78.5 MB from the previous year. This is mainly due to the increasing in trade creditors. The Company has no long-term debt from the loan, and the Company is not liable to liabilities from short-term loans from related company.

#### 5. Debt obligations and off-balance sheet burden management Details are as follows:

Unit : Million Baht (MB)

List	2021	Description
Capital commitments		
Contracted but not provided for :		
• Factory, machinery and equipment	9.4	Contract purchase machinery and equipment
	9.4	
Other commitments		
Purchase orders accepted by suppliers		
• Within one year	3,779.2	Order aluminium ingot 40,100 ton delivery year
• After one year to not over five year	-	2021-2022
	3,779.2	
• Letter of credit	-	Purchase machinery
• Bank guarantees	22.5	To guarantee electricity consumption
Total	3,801.7	

Overall, the obligations outside the balance sheet mentioned above are the usual burdens of business operations. It uses the general principles in debt management, as well as debt management that appears on the balance sheet.

#### 6. Factors affecting future operations

##### 1. Main Raw Material

Aluminium ingot has been rising steadily since the end of 2020 and has been rising significantly in the third quarter to fourth quarter, with prices referring to the London Metal Exchange (LME). Including aluminium ingot was purchased in US dollars which are weak against the Baht. Due to the company's good financial liquidity, purchasing is distributed with multiple vendors from multiple sources and premiums can be negotiated at different times.

##### 2. Exchange rate

because the company has imported transactions from the purchase of raw materials. Machinery, equipment and export from the sale with foreign currency then this makes currency exchange rate forecasts uncontrollable. The company manages hedges by using Natural Hedge policy when deposit and paid foreign currency from currency bank account ; US dollar, the Japanese yen. The purpose is to pay for goods by balancing them as much as possible to avoid exchange rate Gain/loss and other expenses.

### 3. Substitute Packaging materials

Because the technology of packaging production is varied and currently focuses on environmental friendliness. Aluminium, which is relatively expensive and fluctuates over time, may be replaced by other cheaper or more suitable raw materials such as steel plates, plastics or laminates. Aluminum aerosol cans may turn into aerosol plastic, aluminum chemical pen might be a plastic chemical pen or can be replaced with Laser pen. However, Environmental considerations from the decomposition of raw materials are of the utmost importance. Aluminum is a raw material that decomposes well and is definitely faster than laminate and plastic. This means that aluminum is environmentally friendly, which to replace other things must not consider only the price but also to be environmentally conscious. Therefore, the company has improved its standards and production methods that increase efficiency, Reduce waste in the production process.

### 4. Skill workers

It has no impact on production as the company has no increase investment during 2021, turnover rate was quite low due to covid-19 compared to many years ago, labor costs have been rising because they have to adjust the hiring rate in line with the labor market and to build employee morale. The company has continued to conduct internal technician training courses. Salary rates are adjusted from daily employees to technicians upon completion of the course, along with obtaining a certificate. In addition, it trains employees at all levels throughout the year to enhance employee knowledge and offers teaching courses from seniors to juniors. More automation devices are installed.

## 7. Impact of COVID-19

### 1. Operation

The pandemic covid-19 situation is better than previous year. As a result, the business can start to resume operations, return of sales, People have more outside activities, it also increase of tube for hair colour. The part of the hard-walled tube, which is used to contain vitamins, also continues to sell well. Employees have changed working place to work from home, which has also reduced the use of perfume spray.

For pharmaceutical products the overall volume in the market reduce due to reducing of tourist, but the company's portion increased due to in the past year customers controlled their over-limited stock, causing insufficient goods by 2021, so more orders were placed and the auto making industry resumed operations. Pen sales also increased this year, but in the segment bloated for alcohol-containing spray antiseptics have slowed order volumes because there are becoming more and more products on the market as the situation begins to unravel, less demand.

### 2. Finance

Financially, the company is not affected.

### 3. Financial Position and Performance

In terms of financial position and performance the company is not affected.

### 4. Contractual obligations

In terms of contractual obligations The company is not affected.

### 5. Risks to the survival of the business

In terms of risks to the survival of the business. The company is not affected.

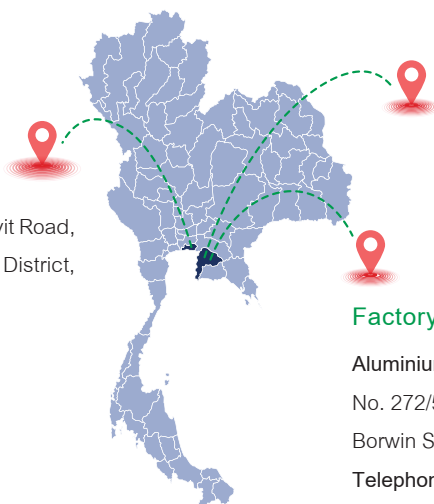
## 5. General Information and other significant information

Name of Company	: Alucon Public Company Limited
Registration No.	: 0107537001854
Registered and Head Office	: No. 500 Moo 1 Soi Sirikam, Sukhumvit Road, Samrong Nua Sub-district, Muang District, Samutprakarn Province 10270 Telephone: 023980147, 023980461, 023980462, 023984624 Facsimile: 023983455, 023612511
E-mail	: alucon@alucon.th.com
Website	: www.alucon.th.com

### Factory No.1 :

#### Caps Factory

No. 500 Moo 1 Soi Sirikam, Sukhumvit Road,  
Samrong Nua Sub-district, Muang District,  
Samutprakarn Province 10270  
Telephone: 023980147  
Facsimile: 023983455



### Factory No.2 :

Aluminium Collapsible Tubes, Aerosol Cans, Bottles,  
Felt Pen Bodies, Tablet Tubes  
No. 272/5 Moo 3 Pak-ruam Aow-Udom Road,  
Borwin Sub-district, Sriracha District, Chonburi 20230  
Telephone: 038345001-6  
Facsimile: 038345000

### Factory No.3 :

Aluminium Slugs, Pettles, Plates, Coils  
No. 272/5 Moo 3 Pak-ruam Aow-Udom Road,  
Borwin Sub-district, Sriracha District, Chonburi 20230  
Telephone: 038345001-6  
Facsimile: 038345000

Share Registrar	: Thailand Securities Depository Co., Ltd. No. 93 Rachadapisek Road, Dindaeng Sub-district, Dindaeng District, Bangkok Metropolis 10400 Telephone: 020099999 Facsimile: 020099991
-----------------	---

Auditor	: 1. Mrs. Piyatida Tangdenchai      CPA No. 11766 and/or 2. Mr. Sumeth Jangsamsee      CPA No. 9362 and/or 3. Mr. Banthit Tangpakorn      CPA No. 8509 KPMG Phoomchai Audit Limited Empire Tower 50 <sup>th</sup> Floor, 1 South Sathorn Road, Yannawa Sub-district, Sathorn District, Bangkok Metropolis 10120 Telephone: 026772000 Facsimile: 026772222
---------	--

Company Secretary	:	Mr. Pitipong Archamongkol Telephone: 023980147 ext. 381 Facsimile: 023983455
Investor Relation	:	Mrs. Tharnthip Choktumstit Telephone: 023980147 ext. 371 Facsimile: 023983455
CFO	:	Mrs. Theerapha Thirapatana Telephone: 023980147 ext. 565 Facsimile: 023983455
Legal Dispute	:	On Y2021, there is no legal dispute and labour dispute.
Secondary Market	:	none
Regularly Contacted Financial Institution (in case there is debt debenture issuance)	:	none



Section

2

# Corporate Governance

## 6. Good Corporate Governance Policy

---

### 1. Overview of Corporate Governance Policies and Practices

Board of Directors of Alucon Public Company Limited has set Corporate Governance Policies to ensure that the Company operates by following the principles of good corporate governance of Stock Exchange of Thailand and under the guidance of Thai Institution of Director Association and has developed corporate governance policy continuously. It is aware of the importance of good corporate governance which will enable the Company to grow sustainably including communication for management and employees to acknowledge and practice continuously through various channels such as orientation for new employees, notice boards and all forms of communication.

The Board of Directors has announced and adhered to the Corporate Governance Policy as follows:

- |  |   |
|--|---|
| 1. Structure, Duties, Responsibilities and Independence of Board of Directors. | 3. Information Disclosure and Transparency. |
| 2. Rights and Equitable Treatment to Shareholders and Stakeholders.            | 4. Controlling System and Risk Management.  |
|  | 5. Business Ethics                          |

In addition to building confidence for shareholders and investors in accordance with the above principles, Board of Directors is committed to ensuring that the Company operates by following the principles of good corporate governance for long-term sustainable growth and is fully transparent to build confidence among shareholders, investors, and other stakeholders. The aim is to generate solid business performance and benefits for the Company under the guidance of the Securities and Exchange Commission (SEC)'s Corporate Governance Code for listed companies 2017.

In addition to building confidence for shareholders and investors in accordance with the above principles, Board of Directors has established corporate governance guidelines in order to create competitiveness, excellent operating results for long-term effects, fair and ethical business practices, respecting rights, being responsible to society and the environment, treating all stakeholders equally including the ability to adapt under changing factors. Therefore, the Good Corporate Governance Principles for Listed Companies 2017 (CG Code 2017) issued by the Securities and Exchange Commission (SEC) has been added as a corporate governance policy of the Company. This is a principle of practice for Board of Directors, who is the leader or the highest responsible person of the organization, to adopt it as a guideline to create sustainable value for the business. The CG Code 2017 has eight principles for Board of Directors practices as follows:

#### Principle 1 : Role and Responsibilities of Board of Directors to Lead the Company and Create Sustainable Value:

- Board of Directors understands their role and responsibilities as the principle body that supervises the Company to ensure good corporate governance, which covers: (i) setting objectives and targets; (ii) determining strategies and operating policy, as well as allocating significant resources to achieve Company objectives and targets; and (iii) monitoring, evaluating, and supervising reporting about the Company's performance in this regard;
- Board of Directors has policies on corporate governance to create a sustainable business that will enable the Company to achieve its business targets;
- Board of Directors has an obligation to supervise Directors and Executives to perform their obligations responsibly and with accountability, duty of care, and loyalty in the best interests of the Company, as well as in compliance with laws, objectives, Articles of Association, Board of Directors' resolutions, and Shareholders Meetings' resolutions, including the Company's policies such as the Connected Transaction Policy, Anti-Corruption Policy, Authority Regulatory, and so on;
- Board of Directors understands their role and responsibilities which include delegating duties and responsibilities to sub-committees and management, as well as monitoring and supervising their performance.



## Principle 2 : Define Key Business Objectives and Targets for a Sustainable Business:

- Board of Directors places great emphasis on setting key objectives and targets for the Company so that it grows in parallel with society in a sustainable manner; creates value and benefits for the Company, customers, partners, employees, shareholders, other stakeholders, and society as a whole; and builds an organizational culture within the framework of good corporate governance;
- The Company's business objectives, targets, and strategies, both annual and medium-term, shall incorporate and be aligned with relevant and trusted innovations and technologies.

## Principle 3 : Structure, Composition, and Qualifications of Directors:

- Board of Directors has the duties and responsibilities to establish and review its structure in terms of composition, qualifications, expertise, experience, and appropriate number of Directors for the business, and the proportion of Independent Directors that is appropriate and necessary to accomplish the established objectives and key targets. Details relevant to these duties and responsibilities are described in the Board of Directors' Charter;
- The Board of Directors will appoint an appropriate person as the Chairman of the Board and ensure that the Board of Directors' member composition and operation facilitate the exercising of discretion in making independent decisions. In the event that the chairman is not an independent director, Board of Directors will consider appointing an independent director to jointly consider the agenda of the Board of Directors' meeting with the Chairman of the Board to promote the balance of power between Board of Directors and the management.
- Board of Directors shall supervise and ensure that the process of Director nominations for each committee is transparent and clear and that the qualifications of each member of the Board of Directors and sub-committees meet the specified criteria;
- The shareholders' meetings have authority to approve remuneration of Directors. Therefore, in proposing the remuneration of Directors to the shareholders' meetings, the Board of Directors shall consider a remuneration structure and rate that are suitable for the responsibilities and serve as an incentive for the Board of Directors to lead the organization to reach short-term and long-term goals;
- Board of Directors shall supervise to ensure that each Director is responsible for their own duties and have sufficient time to fulfil such duties;
- Board of Directors has a policy to conduct an annual performance assessment of the Board of Directors, subcommittees and each individual Director. The assessment result will be used in improving their performance;
- Board of Directors shall supervise and ensure that each Director has knowledge and understanding of their roles and duties, manner of business operation, and laws relating to the business operation, as well as support every Director to constantly develop the skills and knowledge required for their performance of duties;
- Board of Directors shall supervise and ensure that its operation is smooth and they can gain access to necessary information, and have a company secretary who has the appropriate knowledge and experience necessary to support the Board of Directors' operation.

## Principle 4 : Nomination and Development of Top Executives and Human Resources Management:

- Board of Directors shall ensure that top executives have knowledge, skills, experience, and attributes required to drive the Company to achieve its targets;
- Board of Directors has supervised the development of a proper remuneration structure and assessment processes;
- Board of Directors has a policy to understand the shareholding structure and relationships that may affect the management of the Company and their authority to control the operations of the business. This will not any obstacles to the performance of Board of Directors. The Board of Directors shall ensure that all information that may affect the management of the business is properly disclosed;

- Board of Directors shall monitor human resource management and development to ensure appropriate staffing levels, and that personnel are motivated and

equipped with the proper knowledge, skills, and experience.

#### Principle 5 : Nurturing Innovation and Responsible Business Operations:

- Board of Directors strongly supports innovation to add business value together with generating benefits for all relevant stakeholders, and to be socially and environmentally responsible;
- Board of Directors shall supervise and ensure that management operates the business in a socially and environmentally-responsible way. These priorities will be integrated into the Company's operational plans to allow every division in the organization to operate according to the Company's objectives, key targets, and business strategies. Board of Directors shall establish a mechanism to ensure that the operations of the Company are ethical, socially and environmentally responsible, and do not infringe on the rights of stakeholders. In this regard, the Board of Directors has established guidelines on how to treat stakeholders as part of the Code of Conduct and
- will disclose all relevant and necessary information to stakeholders in an adequate, reliable, and timely manner;
- Board of Directors shall supervise and ensure that Management efficiently and effectively allocates resources with regard to the impact on, and development of resources throughout the value chain, so that the Company's objectives and key targets can be achieved in a sustainable way;
- Board of Directors shall establish an organizational framework to regulate and manage information technology in order that it is consistent with the requirements of the Company, and ensure that information technology is utilized to increase business opportunities and operational developments as well as improve risk management, so that the Company can achieve its objectives and key targets.

#### Principle 6 : Appropriate Risk Management and Internal Control Systems:

- Board of Directors shall ensure that the Company has a risk management and internal control systems that will effectively achieve its objectives and complies with relevant laws and standards
- Board of Directors has appointed an Audit Committee, which performs its duties efficiently and independently;
- Board of Directors shall monitor and manage any potential conflicts of interest between the Company, management, Board of Directors, and shareholders, as well as prevent any misuse of the Company's assets, data, opportunities, and transactions with persons related to the Company in an inappropriate manner;
- Board of Directors has a clear anti-corruption policy outlined in the Code of Conduct. The anti-corruption policy shall be communicated and distributed to employees at all levels as well as third parties, in order that it be implemented and put into practice accordingly. Board of Directors shall develop an anti-corruption program or guidelines and support activities that encourage employees to comply with all laws and regulations with respect to anti-corruption;
- Board of Directors shall ensure the efficient and proper handling of complaints and whistleblowers. The guidelines for all employees to follow is explicitly outlined in the Whistleblowing Policy, which includes: (i) the scope of complaints and whistleblowing; (ii) guidelines for making complaints and whistleblowing; (iii) protective measures afforded to employees who make complaints or are whistleblowers, as well as witnesses and any related persons; and (iv) appropriate channels for making complaints and whistleblowing, which must be available through more than one channel at a minimum. In this regard, the channels for making complaints and whistleblowing shall be disclosed on the Company's website or in the annual report.

## Principle 7 : Maintaining Financial Credibility and Information Disclosure:

- Board of Directors is responsible for ensuring that the preparation of financial reports and the disclosure of significant information is accurate, adequate, provided in a timely manner, and in accordance with all applicable regulations, standards, and relevant guidelines;
- In cases where the Company is facing financial difficulties or possible financial difficulties, the Board of Directors shall ensure that the business has a contingency plan in place or mechanisms to handle such difficulties with due regard to the rights of stakeholders;
- Board of Directors has a policy to prepare sustainability reports as appropriate;
- Board of Directors shall supervise and ensure that management sets up an investor relations to communicate and publicize news and information in a timely manner that may be useful to shareholders, investors, analysts, and related persons;
- Board of Directors encourages the use of information technology for information dissemination purposes. In addition to information dissemination as required by specified rules, and through channels such as the Stock of Exchange of Thailand, Board of Directors shall ensure that the information is disseminated in both Thai and English through other channels such as the Company's website, as well as providing information which is always up-to-date.

## Principle 8 : Ensure Engagement and Communications with Shareholders:

The Company appreciates and emphasizes the rights of shareholders, such as the right to trade or transfer shares; to share in profits from the business; to receive adequate and complete news and information about the Company; to attend meetings and independently and equally exercise voting rights at shareholders meetings; to participate in major decisions that impact the Company e.g. appointing/ removing Directors, determining the remuneration of Directors, appointing/ removing the auditor, determining the auditor's remuneration, dividend allocation, establishing and amending the Articles of Association and Memorandum of Association, capital reductions or increases, approving special transactions as required by law, and so on). Shareholders meetings are one of the important channels for the Company's shareholders to exercise their rights. Furthermore, the Company adheres to the principle of the equitable treatment of all shareholders;

Board of Directors has guidelines when organizing the Company's shareholders meetings that encourage and facilitate shareholders to exercise their rights, and respects the principle of the equal treatment of all shareholders as follows:

- Board of Directors shall supervise and ensure that shareholders are involved in the Company's major decision-making;
- Board of Directors shall supervise and ensure that each shareholders meeting is carried out in a smooth, transparent, and efficient manner, and is conducive to shareholders exercising their rights;
- Board of Directors shall supervise and ensure that the disclosure of resolutions from shareholders meetings and the preparation of the minutes are precise and complete.

## 2. Business Ethics

The Company has a policy and encourages all employees to study and understand thoroughly and adhere to the company's ethical principles towards various individuals both inside and outside the organization including the company's corporate governance policy. The Company has included the Code of Conduct as part of the new employee orientation course. On the first day of work, employees will receive clarifications and understandings to adhere to. In addition, the Company has communicated to employees about the Company's corporate governance policy and the Company's code of conduct in all internal communication channels of the Company on an ongoing basis, such as public relations boards and electronic communication channels, etc., in order to promote and encourage all employees to strictly adhere to the Code of Conduct and the Company's corporate governance policy including pushing all employees to adhere to such principles and policies continually. In the previous year, there have been no instances of employees failing to comply with or violating the Company's Code of Conduct and Corporate Governance Policy. Full details of the Business Ethics and Code of Conduct are shown in Appendix 5 of this report.

## 3. Changes in important developments in policies, practices and corporate governance systems in the past year

- 3.1 Significant changes and developments related to the review of policies, practices and the corporate governance system or Board of Directors' charter in the previous year to increase efficiency and demonstrate that the Company's corporate governance standards have been upgraded to be appropriate and consistent with business operations in accordance with good corporate governance principles.
- 3.2 Other practices in accordance with good corporate governance principles, the Company has complied with good corporate governance principles to support the assessment of the Corporate Governance Report (CGR) project and the shareholder meeting quality assessment project. Assessment results are as follows:
  1. Corporate Governance Report of Thai Listed Companies 2021 Project (Corporate Governance Report (CGR)) from the Thai Institute of Directors, the overall average score of 81% was in very good level, compared with last year at 78%.
  2. AGM 2021 Quality Assessment Program (AGM Checklist) from Thai Investors Association, the appraisal result is 98%, which is better than last year getting 92% only.
- 3.3 In Y2021, Board of Directors have reviewed the principles of Corporate Governance Code in order to adjust the business practice on which matters have not yet to comply with and also record the reason why not yet to comply with, in the Minutes of Board of Directors, without disclosure of the reason. The details are as follows.

### Principle 1 : Right of Shareholders

The Company places emphasis on the rights of shareholders as the true owner of the Company. All kinds of shareholders, whether minority or institutional, are encouraged to exercise their fundamental rights, e.g. sales purchase or transfer of shares, profit sharing, receipt of the adequate information either via the Company's or the SET's websites or other channels, attendance at shareholders' meetings to acknowledge the Company's annual business performance, and voting rights at the shareholders' meetings to approve significant matters as specified by law, such as the appointment or removal of directors, directors' remuneration, the appointment of the auditor and determination of the auditor's fee, dividend payment or suspension of dividend payment, any capital increase and issuance of new shares, and making enquires or comments on the matters that the Board of Directors presents or requests for approval at the shareholders' meeting.

## Shareholder' Meeting :

- 1.1 Information in invitation letter for attendance in shareholders' meeting includes date, time, venue, and meeting agenda as well all relevant information required for passing a resolution at the meeting which will be provided to shareholders ahead of time such as director appointment, remuneration review, auditor appointment, stipulation of audit fee, and dividend payment. For each agenda item, relevant facts and rationales are presented to shareholders together with the Board of Directors' comments for deliberation. According to attendance criteria and procedure of the shareholders' meeting, the Company nominates two independent directors as proxies of shareholders. The proxy form is a standard form on which comments about vote casting for each agenda item can be written.
- 1.2 Delivery of invitation letter and accompanying documents: To allow shareholders to study relevant information in both Thai and English versions (for foreign shareholders), the Company publishes announcements via SET news to inform shareholders that they can learn this information in the Company's webpage at least one month in advance. Such information is exactly the same as the information presented in a document form. The invitation letter and support documents will be delivered to shareholders at least 21 days prior to the meeting date.
- 1.3 Shareholders can download various information from the Company's webpage ([www.alucon.th.com](http://www.alucon.th.com)) such as financial data, the Company's information, and information about the meeting. The webpage can serve the needs of shareholders and interested persons who want to study some information about the Company. To inquire additional information, they can also send an email to Investor Relation at [Tharnthip@alucon.th.com](mailto:Tharnthip@alucon.th.com).
- 1.4 Allowing shareholders to propose an agenda item and qualified person's name for nomination as directors four months in advance of the meeting: Shareholders can learn from SET news that announces availability of such information in the Company's webpage. In this regard, relevant criteria and procedure are described such as a single shareholders or a number of shareholders with combined shares not less than 2,160,000 shares or 5% of registered capital. There is detailed information required for consideration, explicit criteria for decision whether to table or not table proposed agenda item, and other information regarding where and when to submit the proposal. In this regard, an informal proposal can be sent via email and later the original proposal must be delivered via registered mail to the Company Secretary. Upon receiving detailed information, the Board of Directors will deliberate on such matter as set out in the process. However, in the past nobody proposed any additional agenda item.
- 1.5 The Company has a policy to facilitate and support the individual shareholders, juristic shareholders and investment institution to attend the meeting at the same treatment.
- 1.6 Shareholders' meeting: The Company held one 2021 Annual General Meeting of Shareholders on 20<sup>th</sup> April 2021
  - The meeting date (Tuesday) was not set on an extra holiday or a public holiday. The meeting time (10.00 am.) was not set too early in the morning or too late in the evening, so convenient transportation was ascertained as there is expressway nearby and close to BTS Bangna. The meeting area is 2 km. closed to the head quarter of the Company.
  - The cutoff date of the shareholders list was under Record Date criteria and set to ensure that shareholders would have more time to review meeting documents or supporting information before the meeting date.
  - Staffs were deployed to facilitate, advise and open registration service two hours prior to the meeting as it was started on 8.00 am. onward.
  - If a shareholder cannot attend the meeting, he or she may assign up to two proxies but only one proxy is permitted to attend. Alternatively, a shareholder may assign two independent directors as a proxy. The Company encouraged shareholders to use Proxy Form B, which is the form in which each particular matter in detail is specified.
  - The Company used the barcode system to run the registration process and count the votes, to facilitate the meeting.
  - Before the meeting started, the Chairman of the Board of Directors introduces the member of Board of Director, the Audit Committee, the Executive Directors,

the Auditor, the Company Secretary and the IR to the Meeting and then he has assigned the Company Secretary to facilitate the proceeding of the meeting. The secretary informed shareholders of the meeting rule and voting procedure.

- The Company has asked the Auditors as intermediary person to monitor the vote counting in case of objection during the meeting, and also requested one of shareholders attending the meeting to be witnessed.
- Language to be used in the Meeting is Thai and/or English language for understanding and communication among management and shareholders both Thai and Foreigner.
- Shareholders were allowed to comment and ask questions. Important questions and answers were noted. The meeting time was sufficiently allocated for thorough inquiries by shareholders as well as explanation and presentation of relevant information by the Company's directors and various committees. In addition, shareholders also had opportunities to send questions or other vital information of the Company in advance since the meeting notification was sent to shareholders. Questions and such information may be sent to [pitipong@alucon.th.com](mailto:pitipong@alucon.th.com) or faxed to 02-3983455 or mailed to the Company's address.
- During votes casting, ballots were used for every agenda item so that votes could be counted expeditiously. Ballots would be stored only for the case which shareholders disagreed or abstained. To observe best practices of shareholders' meeting,

ballots collected from all attending shareholders and proxies were collected after the meeting was adjourned. Furthermore, voting to elect committee members was cast for each individual director.

- The Company does not have a policy to derogate the rights of shareholders by abruptly distributing extra documents containing crucial information, not adding an agenda item or changing vital information that differs from documents delivered to shareholders, not restricting the right to attend meeting of shareholders by giving them voting or ballot casting right in certain agenda which are being considered and vote casting has not been underway. Moreover, video and audio recording of meeting can always be examined.
- Shareholder's minutes of meeting shows that the list of directors who attended or was absent from the meeting. In the 2021 Annual General Meeting of Shareholders, the Chairman of the Company, Chairperson of Audit Committee chairperson, Chairperson of Risk Management Committee, Managing Director, and top executives were all presented to meet with and answer any question from shareholders, offer pertinent explanation, summarize questions and answers or comments. Regarding vote casting and ballot counting method, in case there are dissenting votes, the number of favorable and dissenting votes or abstention will be recorded in the minutes of meeting accurately and completely and the meeting report will be publicized on the Company's webpage for shareholders' scrutiny.

1.7 The Company discloses verifiable shareholding structure in clear and transparent manners.

1.8 At the Annual General Meeting of Shareholders No. 61 on 20<sup>th</sup> April 2021, the Company has approved the dividend payment from the operation result of the Company according to the fiscal year ended 31<sup>st</sup> December 2020, to pay to all shareholders in amounting of 431,999,860 Baht.

1.9 The Company gives shareholders the opportunity to submit questions relating to the agenda of the AGM 2021 in advance between 1<sup>st</sup> December 2020 – 31<sup>st</sup> January 2021, by notifying shareholders and announcing rules and specify the procedures clearly in the meeting invitation and on the company's website at [www.alucon.th.com](http://www.alucon.th.com).

1.10 The Company allows shareholders to elect each director individually by proposing the names of the directors to each shareholder to vote individually.

- 1.11 In organizing every shareholders' meeting, the Company has appointed auditors and 2 other shareholders as witnesses in quorum counting and the result of the vote, to be transparent legally and comply with the Company Articles of Association.
- 1.12 The Board of Directors of the Company does not hold shares, in total, more than 25 percent of the company's issued shares.
- 1.13 The company has a practice regarding the identification documents of shareholders according to the Office of the Securities and Exchange Commission No. Kor. Por. (Wor) 4/2016, rehearsing practices before the Annual General Meeting of Shareholders in matters of documents or evidence that must be presented in attending the general meeting of shareholders re: proxy case, the Company does not require the use of a real ID card or the original passport of the proxy holder in the shareholders' meeting.

## Principle 2 : Equitable Treatment of Shareholder

All shareholders, both the executive and non-executive directors or minority shareholders and majority shareholders, including foreign shareholders shall be treated their rights equally and fairly. Alucon will communicate with shareholders and publish such information through various channels arranged by SET and via Company's website as well as other media being suitable and appropriate to all shareholders who receive information and data equity.

- 2.1 The Company has delivered an invitation to shareholders' meeting, the details are accurate, complete, including the opinion of the directors for each item will be enough. Also, to assign to TSD as the Registrar of the Company to deliver the invitation to all shareholders prior to the meeting, not less than 21 days, the document will be available both in Thai and English. In addition, Alucon will publish the invitation to shareholders' meeting with the information for the meeting through its website, both in Thai and English at least 30 days prior to the meeting so that shareholders have sufficient time to consider all agenda
- 2.2 The Company arranged the meetings of shareholders in accordance with the agenda set forth in the invitation to shareholders' meeting, by not adding-up the new agenda without informing such new agenda to the shareholders in advance, to have it studied before making a decision.
- 2.3 The Company arranged the proxy for the shareholders who cannot attend in person, be entitled to vote via the independent directors of the Company acting as proxies-holder. The Company prepared the Proxy Form B for the shareholders.
- 2.4 The Company set the right to vote at a meeting of shareholders by the number of shares held by shareholders. One share for one vote.
- 2.5 The Company set the criteria for minority shareholder to propose the nominated person to be elected as the new director. The Board of Director shall set the principles and practices and published in the Company website as well as through the Stock Exchange of Thailand channel.
- 2.6 The Company has minority shareholders proposed the agenda for the meeting in advance including to submit questions related to the agenda before the meeting in accordance with the prescribed procedures. The proposed agenda must not conflict with the following criteria.
  - Matters that beyond the company's authority
  - Matters that in contrary to the law, rules and regulations of government agencies and departments monitoring the Company or not comply with the objectives, articles of association and resolution of shareholders' meeting.
  - Matters that may cause significant damage to the shareholders in whole
  - Matters that already be implemented by the Company
  - Matters regarding to specific person's or group of person's benefit
  - Matters regarding to normal business operation and the claim of the proposed person does not demonstrate a reasonable doubt about the doubtful matter.
  - Matter that being considered by the Board of Directors that no need to be on the agenda and show and explain the reason to the shareholder to understand it.



- 2.7 The Company has the independent directors at least one-third of Board of Director of which must not less than 3 persons so that it can protect the right of shareholders.
- 2.8 The Company have the policy to prohibit the directors and executives including the employees who is related to the preparation on the inside information, to disclose such inside information to the outside or any person who not involve on such insider information. This is also not allowed to such prohibited person to trade on the securities of issued by the company before the financial statement released to the public at least one month.
- 2.9 The company imposes the directors and executives to report the change of securities holding to the corporate secretary for acknowledgement, in order to report such change to the SEC, as prescribed by law.
- 2.10 The Company has disclosed the information of shareholding of the directors, executives including their spouses and minor child, in the Annual Report.
- 2.11 The company imposed that the directors who have interest in any agenda must inform its stake on such agenda prior to the meeting and must record the details in the minutes. In case of conflict of interest, on the significant matter in such ways could make the director cannot give his/her opinion freely, such director must refrain from participating in the meeting only in such agenda.
- 2.12 The company set that the Board of Directors have to consider the connected transaction that may have conflicts of interest. This includes items that are of interest to be accurate and complete compliance with the laws and regulations of the exchange, including disclosure of the transaction correctly. This is to ensure that such transactions are reasonable and beneficial to the Company.
- 2.13 The Company favours no particular group of stakeholders, giving all equal access to its public information, through the Company's website at [www.alucon.th.com](http://www.alucon.th.com) or through IR at 02-3980147 ext. 371 or email [tharnthip@alucon.th.com](mailto:tharnthip@alucon.th.com).

### Principle 3 : Roles of Stakeholders

The Company recognized the importance of the environmental social responsibility including the other groups of stakeholders and was aware of the roles and importance of all groups of stakeholders.

#### Shareholder

The Company is committed to business operation which yields good operating result, stability, growth, and competitiveness by taking into account of present and future risk factors in order to increase shareholder value over a long term. The Company must dutifully operate its business by disclosing information in transparent and equitable manners and endeavor to protect its assets and preserve its reputation.

#### Employee

The Company believes that our employees are the main successful factor and valuable resource in business operation. We then significantly give priority to employees by providing fairness to every level of employees without discrimination and respects their right according to the basic international human rights, also the law and the rules. We also give importance to health, occupation, hygiene, and safety in life, property and the working environment of its employees. We also fortify good culture and working atmosphere and promote teamwork. Moreover, the Company has presented and opportunity to create working advancement to all employees with equality and seeing importance on potential of employees. So we focus

on personnel development, both in aspect of functional and managing quality of life, with training of employees continuously inside and outside the organization. As well as organizing activities to create good relations in the organization among the employees and between the employees and the management.

#### Community and society

The Company is utterly concerned with quality of life and environment in surrounding communities so that the Company's operation will be accepted and can thrive in the society sustainably. It can be observed that the Company strictly complies with laws and regulations of relevant authorities such as the Department of Industrial Works, Ministry of Industry, Pollution Control Department, and so on. In this regard, the Company imposes stringent regulations requiring that employees working in the plant must wear protective equipment. Moreover, the Company also deals with environmental management in systematic manners and organizes public donations on an ongoing basis. The Company has arranged the activities joined with the local schools, local governmental agencies,

communities, and there was a public relation to hear and solve the problem occurred from the community by the Company and also provide the scholarship to student and support the activities with the local schools.

#### **Customer**

The Company gives priority to its customers, whom are the important part to make success to the Company. We then determines guideline to build satisfaction and confidence with our customers by presenting with quality that in accordance with or higher that expectation of the customers. We also develop the quality and format of the goods in response to the demand of the customers continuously and regularly. The Company also surveys the customer's satisfaction and listen to their comments or complaints and bring to use as guideline for improving the service and management.

In addition, the Company has policy and guideline to keep confidentiality of the customers. The Company would not disclose such information to other people, or using it in order to seek benefits for other purposes without prior consent from the information owner, unless the Company is required to disclose by laws.

#### **Creditor**

The Company places emphasis on creating trustworthiness by abiding to our integrity, and strictly conform to terms and conditions of the contracts made with the creditors. We made all principle and interest payment on accuracy, timely and complete basis. Also, we shall not use the loan proceeds in the way that contrary to its objectives nor hide any information that may be harmful to creditors.

#### **Competitor**

The Company shall compete with our competitors within the scope of laws and code of conduct and the competition is based on the fair competition. We shall not discredit or seek for confidential information of competitors in a corrupt or unfair manner but shall professionally operate the business with integrity. Furthermore, we support and promote fair and free trade. We do not force our customers to make transaction only with us also.

#### **Business partner**

The Company values our business partners as the key to our growth through mutual support, including creating value to the customers and the shareholders. We, therefore, select

business partners by considering their reputations, capability, legality and regularity, as well as treating them on the basis of equalities with emphasizing on the transparency and justification. The Company strictly complies with the terms and conditions specifying in contracts and code of conduct of the Company, in which in the case where there is term and condition that cannot be complied, the Company will immediately notify our business partners. In addition, the Company annually arranges events to create relationship with our business partner. In the previous year, the Company has arranged events to create relationship with our business partners.

#### **Policy on Business Ethics**

The Company has the policy related to business ethics, which is the policy that promotes good governance such as the policy and guidance on human rights violation, policy and guidelines on anti-corruption and bribery, the policy and guidance on non-violation of intellectual property or copyright, policy and guidelines on using IT and communication of those can be summarized as follows:

##### ● **Human Rights Violation**

The Company treats all stakeholders with justification by adhering laws and regulations concerning employees and the international fundamental principles of human rights, regardless of the place of birth, nationality, gender, age, skin colour, religious belief, disability, status, family status, educational institute, or other status irrelevant to job performance, apart from respecting individualism and human dignity.

##### ● **Anti-corruption and Bribery**

The Company is opposed to all form of corruption and bribery and has policy to encourage employees to abide by the laws and be a good citizen of our country and to support the transparent business operation with our business partner. The objective is to improve and support the sustainable development of our society since the Company has joined the declaration to engage in Collective Anti-Corruption: CAC. To state the Company's position on corruption and bribery as well as to provide rules and guideline for the directors, the executives and the employees to comply, we therefore established a set of policies and procedures regarding anti-corruption in written in our Corporate Governance Policy and the Code of Business Ethics and Conduct and Guideline.

- *Giving or acceptance of presents*

Gifts, entertainment and hospitality offering gifts or entertainment and hospitality activities must be complied with Business Ethics and Conducts.

- *Charitable contributions*

Charitable contribution or aid granting contribution or receiving the aid must be transparent and in accordance with stipulated laws by confirming that such transaction shall not be claimed as a bribery act.

Apart from publicized this policy via our communication channel, to be acknowledged this policy by employees, the Company has communicated through our executives and employee by orientation and annual re-orientation.

The Company has policy on protection to the employee or whistle-blower on the fraud including the internal procedures to manage on the complaints that would be corrupting matters. In addition, the Company has channels for any stakeholders

to inform or complain any matter being treat as right violation.

Information on contacting has been provided clearly.

The Company has arranged the internal auditor to evaluate the risk and impact on the anti-corruption.

In this respect, The Company has placed the policy of Anti-Corruption and Whistle Blowing to the Board of Directors, any suspicion that may lead to engaging in corruption can be whistled and submitted through e-mail to [pitipong@alucon.th.com](mailto:pitipong@alucon.th.com) and then it will be passed to the Audit Committee and the Board of Directors, respectively. It can be sure that the Company will confidentially keep the complaint's information, in order to protect the complaint's right. In this respect, the Company will appoint a person to be responsible for every clue that submitted to the Company. The Company also regularly assesses risk in activities that in connection with or lead to corruption.

## 1. Whistle-blowing and complaints

In order to encourage stakeholders, both in and outside the company, to participate in the corporate governance principles, should employees or stakeholders suspect any unlawful activities or those in violation of the law, rules, regulations, code of business conduct, or corporate governance principles, they can undertake whistle-blowing or file complaints with detailed evidence to the company or relevant agencies via the following channels:

### Audit Committee

Tel : (02) 3980147 ext. 381  
Email : [pitipong@alucon.th.com](mailto:pitipong@alucon.th.com)  
Mail : Audit Committee  
Corporate Secretarial Office  
Alucon Public Company Limited  
500 Moo 1 Soi Sirikham (Sukhumvit 72)  
Samrong Nua, Muang Samutprakarn,  
Samutprakarn Province 10270

### Managing Director

Mail : Managing Director  
Alucon Public Company Limited  
500 Moo 1 Soi Sirikham (Sukhumvit 72)  
Samrong Nue, Muang Samutprakarn,  
Samutprakarn Province 10270

## 2. Conditions of whistle-blowing and complaints

- 2.1 In the investigation of facts do not have to request if there is potential damage or danger.
- 2.2 The whistle-blower or the complainant may choose not to reveal his/her name, address, and telephone number(s) if the disclosure will cause danger or damage. But if the person chooses to reveal himself/herself, the investigation will proceed with speed, with additional useful information, factual revelation, or alleviation of the damage in a more convenient way and shorter time.
- 2.3 The information received is considered confidential, and no disclosure of the name of the whistle-blower or the complainant will be made public without consent.
- 2.4 The rights of the whistle-blower or the complainant will be protected whether he/she is an employee or an outsider.
- 2.5 The time required to process each complaint depends on the complexity of the case, document sufficiency, proofs received from the complainant, as well as documents, proofs, and explanations of the person complained against.
- 2.6 The person who receives the complaint and the person involved in the investigation must keep the information confidential. If necessary, they may disclose it taking into account the safety of and the damage to the complainant or any person who cooperates in the investigation, the information sources, or relevant persons.
- 2.7 If the complainant or the person who cooperates in the investigation thinks that he/she is unsafe or threatened, he/she may request the company to the appropriate protection measures, or the company may impose protection measures by the compliant or those who cooperate in the investigation of facts do not have to request if there is potential damage or danger.
- 2.8 Those who have suffered damage will be mitigated by appropriate and fair process.

### 3. Protection of rights of employees, temporary employees, and outsourced persons

The Company will not unfairly treat employees, temporary employees, or outsourced persons, whether through changes in position, nature of work, or locations of work, suspension, threats, obstruction of work, termination of work, or any unfair act to these people because they:

- 3.1 Provide information, cooperation, assistance to the directors, executives, the public sector, or the monitoring agency if there is sufficient proof that those people violated or abused law, rules, regulations, the code of business conduct, or corporate governance principles
- 3.2 Give testimony, submit evidence, or provide assistance to the directors, executives, the public sector, or the monitoring agency useful to the consideration or investigation if there is doubt of the violation or abuse of law, rules, code of business conduct, or corporate governance principles.

### *Intellectual Property and Copyright*

The Company sets policy against any infringement of intellectual property, in which all directors, executives and employees must not infringe on computer software by downloading and or installing any programs those do not process by IT Department. In addition, the Company has assigned IT Department to be responsible for the monitoring and inspection to prevent any copyright infringement of computer software regularly.

### *Information Technology and Communications*

The Company places emphasis on the policy on the use of information technology and communications by setting an information security standard to prevent or reduce any leak of significant or confidential information, whether intentionally or

unintentionally. We have established a set of guidelines and procedures on the use of information technology and communication.

Any of the Company's confidential documents and information will only be kept in the system of the relevant department, of which cannot be reached by others irrelevant department. It then limits only the relevant staff to access in.

Moreover, the IT Department is required to keep the employee's traffic information as required by the Computer Related Crime Act B.E. 2560 and the Notification of the Ministry of Information and Communication Technology Re: Rule on the Record of Traffic Information by the Service Provider.

#### Principle 4 : Disclosure and transparency

The Company recognizes the importance of disclosure of its financial and non-financial information accurately, completely, regularly, timely, and transparently. In addition, such information should be easily accessible, equitable, and credible as follows:

- 4.1 Disclose relevant news and information as well as annual report via the Stock Exchange of Thailand's channel and the Company's webpage. In the past year, the Company had never been reprimanded by the Securities and Exchange Commission or the Stock Exchange of Thailand for violation of information disclosure guidelines.
- 4.2 The Company publishes the director's responsibilities to financial statement along with the auditor report in annual report. Such report contains contents which conform to accounting principles and financial reporting that presents accurate, complete, and factual information in compliance with accounting standards, this report is signed by both Chairman of the Board of Directors and Managing Director.
- 4.3 The Company's management structure comprises three committees, including the Board of Directors, Audit Committee and Risk Management Committee. In Y2021, there are the attendance on the Meetings as follows:

Name of Director	Board of Director	Audit Committee	Risk Management
1. Mr. Somchai Aungsananta	4/4	-	-
2. Mr. Takaaki Takeuchi	4/4	-	-
3. Ms. Salinee Mahtani	4/4	-	-
4. Mr. Subpachai Lovanit	4/4	-	-
5. Mr. Maksimiljan Pristovsek	3/3	-	-
6. Ms. Vrinporn Uer-anant	4/4	4/4	-
7. Mr. Krit Indhewat	4/4	4/4	-
8. Mr. Toshiyuki Koike	4/4	4/4	1/1
9. Mr. Vibool Uer-anant	4/4	-	1/1
10. Mrs. Eumporn Pamornbutr	4/4	-	1/1
11. Ms. Kasumi Takeuchi	4/4	-	-

- 4.4 The Company is utterly concerned with disclosure of relevant information to investors so that investors can receive accurate, transparent, and thorough information. The Compliance and Investor Relation Department is assigned to act as a company representative responsible for communication, provision of information services, and dissemination of news and information about the Company's activities to institutions, investors, shareholders, analysts, general public and relevant authorities. To obtain various information about the Company, operating performance, financial statements and information reports submitted to the Stock Exchange of Thailand, which include current and past information, interested person can read and/or download such information from [www.alucon.th.com](http://www.alucon.th.com) which provides these information in both Thai and English. Investors and concerned parties who have any inquiry and would like to obtain information about the Company can contact the Investor Relation:

can contact the Investor Relation:

Mrs. Tharnthip Choktumstit  
Tel. 02-3980147 ext. 371  
Email: [Tharnthip@alucon.th.com](mailto:Tharnthip@alucon.th.com)

4.5 The Company disclosed scope of responsibilities and mandates of the Board of Directors and various committees in the annual information disclosure form.

#### 4.6 Share trading report

According to the code of conduct, the Company has a policy to avoid/refrain from trading its shares one month before disclosing the information to the general public and to notify the Board of Directors and every company executive about the notification of the Office of the Securities and Exchange Commission (SEC) pertaining to Section 59 of the Securities and Exchange Act B.E 2535 that requires reporting of shareholding of themselves, their spouses of such shares must be sent within 30 days after being elected as a director or being appointed as a company executive.

The change of such shareholding must be reported

within 3 business days and a copy of such report must be sent to the Company Secretary as an evidence. In the past, the Company has never had any incident where any director or executive use inside information to gain benefit for themselves or other in any way.

Directors and management executives filed changes in share ownership report with the Office of the Securities and Exchange Commission in compliance with section 59 whenever share ownership changed. The Company Secretary is responsible for compiling information and reporting to SET every time.

#### 4.7 Risk Management Report

On Y2021, it was monitored on the risk form working of each department and it can be concluded that there were 6 items on high risk and 74 items on medium risk. This Risk Management evaluation will be done annually.

### Principle 5 : Board Responsibilities

5.1 According to the Article of Association (the Company is eligible to have at least 5 directors and not exceed 15 directors), the Company has 11 directors who are qualified according to the regulation and can be defined as follows:

Sex	Number	Characteristic	Number
Female	4	Executive Director	4
Male	7	Independent Director	5
		Non-Executive Director	2

All directors are experts have various knowledge either of business administrative, engineering, accounting and finance, marketing and specific experience on the aluminium packaging industry.

List of directors and servicing years are as follows:

Name	Position	Year in position / Serviced year
1. Mr. Somchai Aungsananta	Independent director, Chairman of Board of Directors	1990 / 32
2. Mr. Takaaki Takeuchi	Executive Director	1995 / 27
3. Ms. Salinee Mahtani	Executive Director / Risk Management Committee	1998 / 24
4. Mr. Subpachai Lovanit	Executive Director	1998 / 24
5. Mr. Maksimiljan Pristovsek	Executive Director	2021 / 1
6. Ms. Vrinporn Uer-anant	Independent Director, Audit Committee – Chairperson	1994 / 28

Name	Position	Year in position / Serviced year
7. Mr. Krit Indhewat	Independent Director, Audit Committee	2000 / 22
8. Mr. Toshiyuki Koike	Independent Director, Audit Committee, Risk Management Committee	2010 / 12
9. Mr. Vibool Uer-anant	Independent Director, Risk Management Committee – Chairman	2013 / 8
10. Mrs. Eumporn Pamornbutr	Non-executive Director	1990 / 32
11. Ms. Kasumi Takeuchi	Non-executive Director	2017 / 5

*Remark : based on information as of 31<sup>st</sup> December 2021*

- 5.2 According to the Company's regulation, it is stipulated that one in three (1/3) of the total number of Directors at each annual general shareholder's meeting will vacate their offices. If the number may not be divisible by three, the number of Director to vacate their position will be the figure closest to the value of one in three (1/3). Therefore, each director's term lasts approximately three years.
- 5.3 The Company set up two sub-committees, which are Audit Committee and Risk Management Committee and prescribed their duties and responsibilities. To promote transparency and independence, most committee members are independent members. Moreover, to ensure that these committees are truly autonomous while carrying out their duties, Chairman of Board of Directors does not take up the position of committee chairman and member.
- 5.4 The Board is involved in defining the vision, mission, strategies, goals, business plans of the Company. It is independent and supervises the management of a business plan under the budget, in order to maximize the benefit to the organization, stakeholders and shareholders. In addition, the Board has also implements an internal control system, an audit system, and efficient risk management measures and constantly monitors these matters in board meeting.
- 5.5 The Company stipulates performance evaluation containing two parts, that is, key performance indicators (KPI) and competency. This system will help employees recognize and understand operational strategies and approaches which will achieve the organization's strategic targets such as goal, mission and performance measurement.
- 5.6 The Company creates and maintains an internal control system and regularly reviews efficiency of the internal control system in relation to financial control, operating performance, and corporate governance in compliance with pertinent legal provision and regulations, protection and maintenance of assets, and risk management. In this regards, the Company hires Dharmniti Internal Audit Co., Ltd. to audit business conduct of various functions and ensure that the operations conform to the guidelines set out in an approved annual audit plan. The internal audit report will be informed directly to the Audit Committee. Based on Y2021, internal audit report prepared by Dharmniti Internal Audit Co., Ltd., has no significant discrepancies to be found. The Company had an adequate, prudent internal control system and properly complied with the regulations and laws of relevant authorities; moreover, its properties were protected from being used unscrupulously by management and employees.
- 5.7 Regarding conflict of interest, the Board of Directors informs board members and management executives to prepare a list of their own interest and interest of connected persons in accordance with the provision of the concerned agency. It is required that the Company must be notified of such list within 15 days after the initial



request and every time changes occur. Such report will be used by the Company Secretary as information and tool to ensure that board members carry out their duties with integrity. The Company Secretary sends a copy of this report to the Chairman of the Company and the Audit Committee's chairperson for acknowledgement.

- 5.8 The Company holds board meetings and informs each board member of upcoming meeting in advance. In Y2020, a total of four Board of Directors meetings were convened. In each board meeting, the Board of Directors, Board Chairman, Managing Director and the Company Secretary jointly review meeting agenda to ensure that vital matters are included in the agenda and each board member can table matters in meeting agenda autonomously.

The Company Secretary delivers meeting documents to directors, five days in advance. The document has been prepared concisely as possible. However, if there is any matter which cannot be disclosed in writing or if it is disclosed in advance, it may adversely affect the Company, the Board can bring up and discuss such matter at meeting and the Chairman will allocate sufficient time for such discussion. Directors are keen on every issue brought to their attention in meeting, including any corporate governance issue. For any issue which still lacks sufficient information directors can always request additional information from the Company Secretary.

Minutes of meeting of the Board of Directors contains essential information such as meeting date, time when meeting is called and adjourned, a list of directors who attend the meeting and are absent, summary of proposed matters, summary of debated issues and observation notes, the Board's resolution and director's comments, reporter's name, name of a person who endorses the report. The Company keeps minutes of meeting of all board meeting in good order. Such record can be readily searched but cannot be altered without the Board's consent.

- 5.9 Regarding remuneration of directors, it was proposed for approval by shareholders each year in accordance with transparency and auditing principles. Moreover, it is assured that remuneration is at a suitable level and sufficient enough to motivate and retain quality directors as required.

- 5.10 Regarding the policy concerning tenure of the Company's directors in other companies, the Company does not have any requirements in the event that each will hold a position in other companies. This is because such matter does not affect director's competency and expertise, provided that such director can fully devote his/her time for the Company in regard to policy formulation, consultation on problem-solving in business operation within the scope of power and duties of the Company's director. However, no director, at present, holds position in other company whether it is a limited company or listed company, in total more than 5 companies, and managing director and top management can serve as director of other companies without approval from the Board of Directors; unless, it is a business that competes with the Company.

- 5.11 In case a new director is appointed, the Company Secretary is responsible for preparing summary documents that cover business characteristics, organizational structure, operation, rules and regulation, vital policies as well as guideline on board member's conducts, provisions of the Stock Exchange of Thailand and the SEC Office in order to ensure that a new director can fully perform his/her duties as director of a listed company.

- 5.12 The Company recognizes the importance of the development of directors' knowledge. Therefore, the Company supports and facilitates the organization of training and educational programs for directors, whereby the Company Secretary was assigned to coordinate with directors, informing them of various training programs. In the past, directors regularly attended various courses of Thai Institute of Directors Association.

- 5.13 The Company assigns that Chairman of Board and Managing Director must not same person and their roles, responsibilities and duties are clearly separated. The Chairman of Board and the Chairman of sub-committees must be appointed from an independent director only.

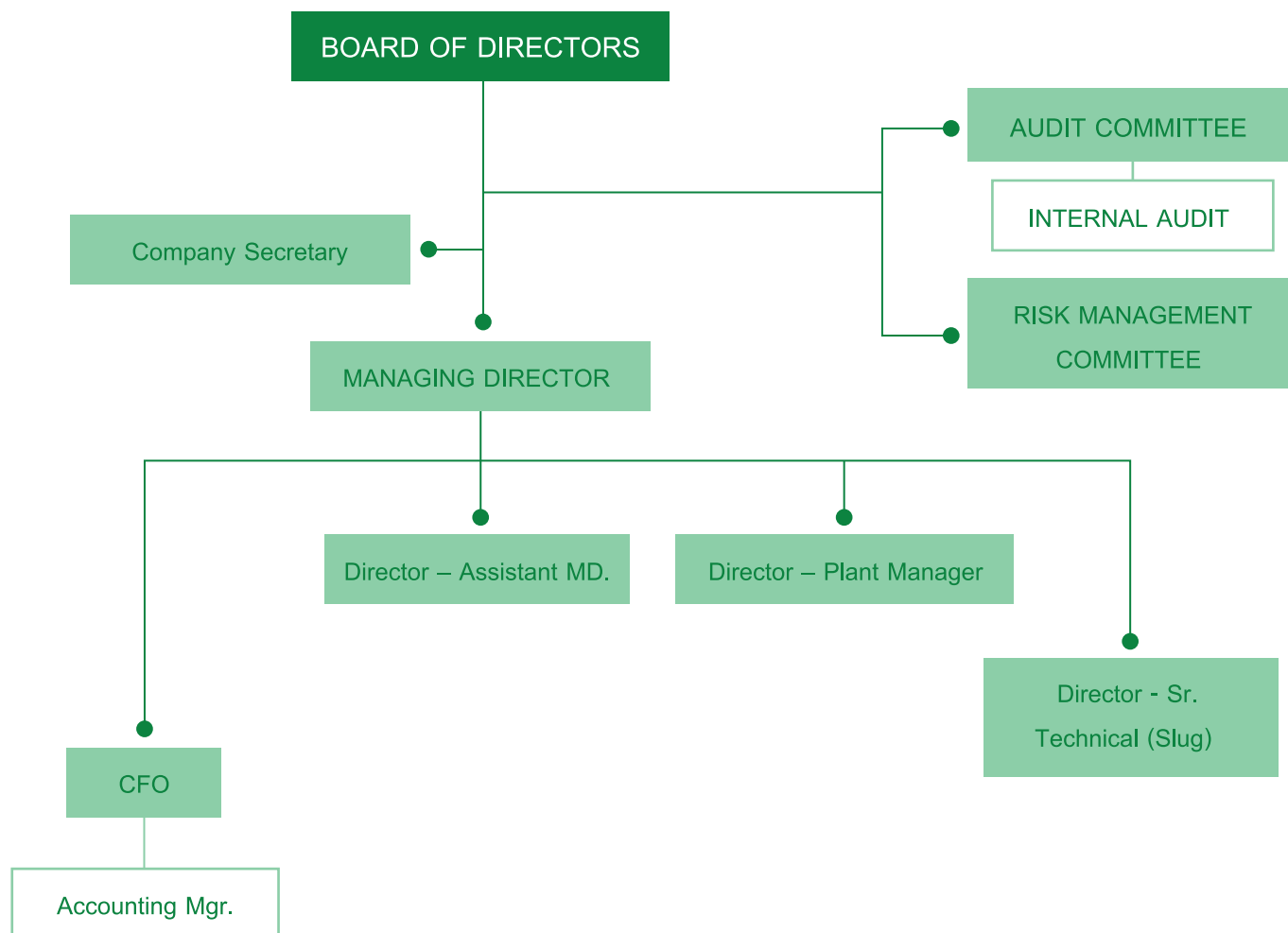
- 5.14 The Company has a policy for non-executive directors to organize their own meeting in order to discuss on outstanding management problems at least once a year without the attendance of Management.

- 5.15 The Board of Directors has set up 2 sub-committees which are (1) Audit Committee and (2) Risk Management Committee. The scope of responsibilities of each committee has been regulated clearly.
- 5.16 The Board of Directors arranges the internal audit system covering the financial, operation in accordance with the law, rules and regulations, the risk management, as well as to have the effective mechanism by Internal Audit, being outsourced department, independence, and under control of Audit Committee, as well as, providing the quality report to Audit Committee
- with sufficient information to evaluate and verify internal control system, related transaction, the appointment of Auditor and summary of opinion of the Audit Committee.
- 5.17 The Board of Director monitors the Company to have risk management system sufficiently and follow up frequently. Therefore, the Company has set up the Risk Management Committee and Risk Management Team to evaluate and follow up the risk factors at least once a year.
- 5.18 Roles and scope of responsibility of Company Secretary are detailed in the Appendix 1.

## 7. Corporate Governance Structure and Important Information about the Board of Directors, Sub-committees, Executives, Employees, and others

### 1. Corporate Governance Structure

As of 31<sup>st</sup> December 2021, the Company manages the organization structure according to the form consistent with the nature of the Company's business operations. Details can be found in the Organization Chart which appears as follows.



## 2. Information about the Board of Directors

The Board of Directors of the Company consists of 11 persons as follows:

Name	Position
1. Mr. Somchai Aungsananta	Chairman of Board of Directors/ Independent Director
2. Mr. Takaaki Takeuchi	Managing Director / Executive Director
3. Ms. Salinee Mahtani	Assistant Managing Director / Executive Director
4. Mr. Subpachai Lovanit	Plant Manager / Executive Director
5. Mr. Maksimiljan Pristovsek	Senior Technical Plant Manager (Slugs) / Executive Director
6. Ms. Vrinporn Uer-anant	Chairperson of Audit Committee / Independent Director
7. Mr. Krit Indhewat	Audit Committee / Independent Director
8. Mr. Toshiyuki Koike	Audit Committee / Risk Management Committee / Independent Director
9. Mr. Vibool Uer-anant	Chairman of Risk Management Committee / Independent Director
10. Mrs. Eumporn Pamornbutr	Non-Executive Director
11. Ms. Kasumi Takeuchi	Non-Executive Director

Mr. Pitipong Archamongkol is the Company Secretary, having trained the company secretary course from the Thai Institute of Directors Association (IOD), class 392/2554.

### Authorized director to bind the company

Authorized directors to sign on behalf of the Company are Mr. Takaaki Takeuchi and Ms. Salinee Mahtani. Any director who signs any document will be binding the Company.

### Directors' Authority and Duty:

The Board of Directors is responsible to shareholders for the Company's business operations by supervising the management to be in accordance with the policies, guidelines and goals that will bring the highest benefits to the shareholders and within the framework of good corporate governance and ethics and taking into account the interests of all stakeholders as follows:

1. The directors must conduct their duties in accordance with the law, objectives and Articles of Association of the Company as well as the resolutions of the shareholders' meeting with integrity and to protect the interests of the Company.
2. The directors are responsible for defining policies and directions of the Company's operations and supervising the management to implement the policies set forth with efficiency and effectiveness, to maximize the economic value of the business and to create wealth to shareholders.
3. Directors must be honest, trusty, and ethical in business operations.
4. Directors must have responsibilities to shareholders on a regular basis and operate to protect the interests of shareholders, disclose to investors accurately, completely, with standards and with transparency.
5. Directors must have knowledge, abilities and experiences that will be beneficial to business operations and genuinely interested in the business of the Company where they are director.
6. Have the intention to operate the business continuously.

### Chairman of Board of Directors' Authority and Duty:

1. To act as the Chairman at the meeting of the Board of Directors
2. To cast the casting vote in case of an equality of votes;
3. To convene the meeting for the board of directors; and
4. To act as the chairman of the shareholders' meeting.

### Managing Director's Authority and Duty:

1. Establish policies, strategies, business strategies, goals, plans and annual budgets proposing to the Board for approval.
  2. Operate in accordance with the policy, business strategy, goal, plan and annual budget of the Company as being approved by Board.
  3. Report the Company's performance and quarterly results to the Board, along with trends and management guidelines for the Board.
  4. Other matter as assigned by the Board.
- In this regard, the use of powers and duties of the Managing Director (must not conflict with the rules of the SEC) must not look like an exercise of power to approve transactions that cause the Managing Director or a person who has been authorized or persons who may have conflicts or have a stake or there may be a conflict of interest in any other manner with the Company including the items required to seek approval from the Board of Directors' meeting or at the shareholders' meeting such as connected transactions or the acquisition or disposition of assets of the Company, etc., except for consideration and approval of transactions that are in accordance with normal business and normal trading conditions.

### Board of Directors' Meeting

Board of Directors has set a schedule of meetings in advance each year and it has been notified to each director in advance for the benefit of planning meeting attendance and considering important matters of the company. The Board of Directors' meetings are scheduled to be held at least 4 times per year. In Y2021, there were 4 Board of Directors' meetings. Each meeting of the Board of Directors has a clear agenda, both agenda for acknowledgment and agenda for consideration. There were sufficient documents supporting the meeting and delivered to the directors at least 5 days prior to the meeting date so that the committee has enough time to study the information before attending the meeting. In the meeting, the chairman allocated sufficient time so that all directors can openly discuss and express their opinions and non-executive directors are assigned to have meetings among themselves without the management. Once, the meeting is finished, the minutes of the meeting were prepared by the company secretary and signed by the Chairman of the Board and Managing Director and stored in file cabinets as required by law.

### 3. Sub-Committees

In order to have appropriate checks and balances and in order to manage and operate the business in accordance with the good corporate governance policy, Board of Directors has established 2 sub-committees which are

1. Audit Committee
2. Risk Management Committee

The details of sub-committee are as follows:

## 1. Audit Committee

At present, the Audit Committee consists of 3 independent directors, all of whom are qualified according to the Notification of the Capital Market Committee and related notification of the Stock Exchange of Thailand. The details are as follows.

Name	Position
1. Ms. Vrinporn Uer-anant	Chairperson of Audit Committee
2. Mr. Krit Indhewat	Audit Committee
3. Mr. Toshiyuki Koike	Audit Committee

### Audit Committee

1. To review the Company's financial reporting process to ensure that it is accurate and adequate;
2. To review the Company's internal control system and internal audit system to ensure their appropriateness and efficiency, to consider the adequacy of the budget and manpower and to review the independence of the Internal Auditor as well as to approve the appointment, transfer and dismissal of the Internal Auditor or any other unit in charge of an internal audit;
3. To review that the Company is in compliance with securities and exchange laws, the regulations of the SET and the laws relevant to the Company's businesses;
4. To consider, select, nominate and dismiss independent person(s) to be elected as the Company's external auditor(s) as well as to propose their remuneration, and to attend a non-management meeting with the external auditor(s) at least once a year;
5. To consider the connected transactions or the transactions that may lead to conflict of interests to ensure that those transactions are in compliance with the laws and regulations of the SET, and are justifiable and for the utmost benefit of the Company;
6. To prepare and disclose in the Company's Annual Report, the Audit Committee's report which must be signed by the Chairman of the Audit Committee and consist of at least the following information:
  - An opinion on the accuracy, completeness and creditability of the Company's financial report;
  - An opinion on the adequacy of the Company's internal control system;
  - An opinion on the compliance with the securities and exchange laws, the regulations of the SET, Capital Market Supervisory Board or the laws relevant to the Company's businesses;
  - An opinion on the suitability of the external auditor(s);
  - An opinion on the transactions that may lead to conflict of interests;
  - The number of the Audit Committee's meeting, and the meeting attendance by each committee member;
  - An opinion or overview comment of the Audit Committee derived from their performance of duties under the scope of the Audit Committee Charter;
7. To perform any other duties as assigned by the Board of Directors as the Audit Committee may agree.

### Term of Office of Audit Committee

An Audit Committee member has a term of office of 3 years each by the resolution of Board of Directors, except an Audit Committee member who has been appointed to fill a vacancy for any reason other than by rotation, in which case he shall retain office for the remaining term of office of the Audit Committee member whom he replaces.

## 2. Risk Management Committee

Risk Management Committee is comprised with 3 directors as follows:

Name	Position
1. Mr. Vibool Uer-anant	Chairman of Risk Management Committee
2. Mr. Toshiyuki Koike	Risk Management Committee
3. Mrs. Eumporn Pamornbutr*	Risk Management Committee
4. Ms. Salinee Mahtani **	Risk Management Committee

\*Mrs. Eumporn Pamornbutr resigned from the company and ceased being the Risk Management Committee member on 25<sup>th</sup> February 2021.

\*\* Ms. Salinee Mahtani has been appointed as the new member of Risk Management Committee by virtue of Board of Directors' resolution since 14<sup>th</sup> May 2021.

### Scope of Duties of Risk Management Committee are as follows:

Risk Management Committee has the scope of duties as being assigned by the Board of Directors as follows:

1. Assessing and presenting risk management policy and framework to the Board of Directors for approval.
2. Examining and agreeing on risk appetite (acceptable risk levels), and present to the Board of Directors.
3. Continuously monitoring development activities and compliance actions according to the policies and the risk management framework so the company's group will have a risk management system that is uniformly effective throughout the organization to ensure that such policies continue to be observed.
4. Assessing risk identification and assessment procedures, reporting on significant risk management activities and enforce procedures to ensure that the organization has sufficient and appropriate risk management systems in place.
5. Coordinating with the Audit Committee about significant risk factors and having the Internal Audit Unit to review that the risk management system of the company's group is appropriate to the exposure, being adapted as needed and adopted throughout the organization.
6. Continually reporting to the Board of Directors on significant risks and risk management solutions.
7. Executing other activities that pertain to risks management as assigned by the Board of Directors.

### Term of Office of Risk Management Committee

Risk Management Committee member has a term of office of 3 years each by the resolution of Board of Directors, except the Risk Management Committee member who has been appointed to fill a vacancy for any reason other than by rotation, in which case he shall retain office for the remaining term of office of the Risk Management Committee member whom he replaces.



## 4. Information of Executives

### 1. Executives

Executives (according to the definition of executives in the Notification of the SEC No. Kor.Jor.17/2551 including any amendments)

As of 31<sup>st</sup> December 2021, the Executives are comprised with 5 persons as follows:

Name	Position
1. Mr.Takaaki Takeuchi	Managing Director, Director
2. Ms. Salinee Mahtani	Assistant Managing Director, Director
3. Mr. Subpachai Lovanit	Plant Manager, Director
4. Mr. Maksimiljan Pristovsek	Senior Technical Plant Manager (Slugs) / Director
5. Mrs. Theerapha Thirapatana	CFO

This is for the benefit of the performance of supervisory duties and transparency of internal operations including to prevent any person from having unlimited power. Therefore; the Company separates the duties and responsibilities of the Chairman of the Board of Directors and Managing Director clearly separated. **The Managing Director and Chairman of the Board of Directors must not be the same person.**

### 2. Remuneration Policy for Executive Directors and Executives

At present, the Company does not have Remuneration Payment Policy for executive directors and executives but the remuneration has been allocated in accordance with the operating results as well as must not higher than the standard compared to other companies in the same industry. According to Thai Institute of Directors Association (IOD) has issued the standard for listed companies in the Stock Exchange to adhere to.

### 3. Remuneration for Executive Directors and executives

#### 1. Remuneration in cash

For the fiscal year ended 31<sup>st</sup> December 2021, the fiscal year ended 31<sup>st</sup> December 2020 and the fiscal year ended 31<sup>st</sup> December 2019, the Company paid the remuneration to the management as follows:

Type of Remuneration	FISCAL YEAR ENDED 31 <sup>ST</sup> DECEMBER 2021	FISCAL YEAR ENDED 31 <sup>ST</sup> DECEMBER 2020	FISCAL YEAR ENDED 31 <sup>ST</sup> DECEMBER 2019
Number of Executives (person)	5	6	6
Salary and Bonus (Baht)	36.00	40.09	43.82
Provident Fund and Other Benefits	1.33	1.37	3.17

#### 2. Remuneration for non-cash

The Company does not pay any remuneration other than those specified in this clause to the Executive Directors.

## 5. INFORMATION OF EMPLOYEE

### 1. Number of Employee

As of 31<sup>st</sup> December 2021 and 31<sup>st</sup> December 2020, the Company has the employee in number of 1,197 persons which can be divided into each location they are operated with as follows:

Location	2021	2020	2019
Employee at Head Office	138	150	157
Employee at AMC	24	35	177
Employee at CPS	781	804	791
Employee at SPS	254	266	274
Total	1,197	1,255	1,399

### 2. Significant change in headcount over the past 3 years

In Y2020, the Company closed the aluminum tube production lines in Samrong plant and removed all production lines to Sriracha Plant by improving the quality of the production line transferred from Samrong to be more efficient. Therefore, it is necessary to move the number of 50 employees to the Sriracha factory and there were 108 employees voluntarily early retired which those received compensation and special payment according to the projects launched by the Company and is satisfied with the said number of employees. Therefore, there was no problem in labor disputes with employees.

### 3. Employee remuneration

For the compensation of employees in Y2021, being consists of salaries, bonuses, employee's savings, and others, totaling 734 MB whereas, the Company considers employee compensation in accordance with the Company's performance but must comply with 3 principles which are (1) must be fair within the company (Internal Equity) (2) must be able to compete with the outsiders (External Competitive) (3) must motivate employees (Motivation) to make employees of the Company work happily.

### 4. Employee Welfare / Provident Fund

In addition to compensation in form of salary and bonuses, the Company has provided other benefits to employees in various kinds as follows:

1. Provident fund as it was incorporated on August 2020 voluntarily by employees;
2. Employees pension
3. Health benefits and life insurance
4. Lunch and scholarships for employees' children with good study grade

### 5. Employment dispute on previous year

As of 31<sup>st</sup> December 2021, the Company has 1 labor union, but there is no labor dispute or lawsuit or have been sued in any way.

### 6. Policy on Employee Development

The Company emphasizes on human resource development starting from the recruitment process by adhering to transparent principle and operate with an equal and fair system.

### 7. Employee Training and Development

The Company emphasizes on personnel development because the Company believes that personnel are important factor to boost up the Company to be number one leader in the aluminum packaging industry. The Company has provided internal and external training, which is divided into 3 courses as follows:

- Basic Courses: Training to review the understanding of work and enhance work efficiency as well as create a good attitude to work such as employee orientation Work regulations (WI), general knowledge of company regulations, etc.
- Development courses: Training employees at the supervisor levels and above or a person who is preparing for a supervisory position or above which will be promoted and enhanced the efficiency of employees to manage subordinates to be effective, such as skills for supervisors, executives safety.
- Specific courses: Training related to their work that employees are performing, such as the new accounting standards, new machine techniques or training new stock exchange rules for company secretary, etc.

In Y2021, the Company has organized training courses for employee in a total of 47 courses totaling 27,997 hours, representing the average number of hours of training for employees per year as 23.21 hours per person per year including the budget for training expenses in total 238,862 Baht.

New employees will be trained to educate on the vision, mission, regulations and guidelines, to understand their responsibilities and duties.

#### 8. Equal treatment on employee

The Company recognizes the importance of treating all employees equally. From the process of selection of persons, appointment, and promotion to suit their duties and responsibilities according to knowledge and potential of employees without prejudice or using a kinship or family system to measure performance. In addition, the Company provides opportunities for employees at all levels to express their opinions and suggest work practices through various channels to cooperate in the development of the organization.

#### 9. Communication on Employee's Comments

In order to survey the satisfaction or happiness in the performance of each employee's duties, the employees have opportunity to express their opinions through various channels and offer ideas and ask for information. This is to give employees confidence and stability in their work. In addition, the Company also has a policy for employees to file complaints to the Board of Directors through the channels specified by the Company according to the Whistle Blowing Policy so that employees have channels to report problems including fraud or corruption in accordance with the Anti-Corruption Policy that the Company has always adhered to.

#### 10. Creation on Good Quality of Life at Work

The Company recognizes the importance of good quality of life for its employees, which will encourage employees to work fully and efficiently. Therefore, the Company takes care to ensure that the workplace is safe and hygienic and does not cause adverse effects on health or does not cause health effect including creating an atmosphere of the workplace to be orderliness by implementing 5S policies effectively.

The Company provides measures to prevent the spread of COVID-19 virus within the Company and control the spread of the COVID-19 outbreak by stipulating measures and guidelines for employees to strictly follow in accordance with the Ministry of Public Health's regulations.

## 6. Other significant information

### 1. List of persons assigned to be responsible as follows:

#### 1. Company Secretary

The Board of Directors' Meeting had a resolution on 6<sup>th</sup> August 2010 for the appointment of Mr. Pitipong Archamongkol, a Legal Manager, as a Company Secretary according to the Securities and Exchange Act, Section 89/15 and Section 89/16. Scope of Responsibility of Corporate Secretary shall be follows:

1. To organize the Board of Directors' meetings and shareholders' meetings in compliance with the applicable laws, Articles of Association and regulations related to the Company.
2. To prepare and keep the following documents:
  - a. Directors' registration;
  - b. Invitation to the Board of Directors' meetings, the minutes of the Board of Directors' meetings and annual report of the Company; and
  - c. Invitation to the shareholders' meetings and the minutes of the shareholders' meetings;
3. To keep the stakeholder report filed by directors or executives;
4. To provide advice and recommendations to the directors as regards the laws and regulations in relation to the maintenance of the status as a listed company on the Stock Exchange of Thailand, good corporate governance and regulations relevant to the Company's business;
5. To supervise the disclosure of information and various information reports to be in accordance with the laws and/or regulations of the Stock Exchange of Thailand, SEC and other regulatory agencies as well as the good corporate governance principles;
6. To perform other tasks as announced by the Capital Market Supervisory Board or as assigned by the Board of Directors.

In this regard, the Company Secretary has passed various training courses such as Company Secretary Program (CSP), Board Reporting Program (BRP) and Anti-Corruption: The Practical Guide (ACPG) organized by Thai Institute of Directors Association (IOD), as well as courses on work as a company secretary which is organized by the Association of Listed Companies and attend trainings and seminars organized by the Stock Exchange of Thailand, the SEC Office and other related agencies regularly and continuously so that the Company secretary can understand the roles and duties of the company secretary and fully support the performance of the Board of Directors.

#### 2. The highest responsibility in Accounting and Finance Department and the person who directly responsible for accounting supervision

Mrs. Theerapha Thirapatana is the person assigned the highest responsibility in the Accounting and Finance Department (CFO) and Mrs. Tharnthip Choktumstit is the person who is directly responsible for the supervision of accounting (More details about the person who is assigned the highest responsibility in Accounting and Finance and those who are assigned to be directly responsible for the supervision of accounting appears in Appendix 1)

#### 3. Internal Audit

The Company has outsourced Dharmniti Internal Audit Company Limited as the internal auditor. Its registration number is 0105559084734 and is located at No. 178 Soi Permsap, (Prachachuen 20) Prachachuen Road, Bang Sue Subdistrict, Bang Sue District, Bangkok Metropolis (more details about the Company's internal audit supervisor are shown in Appendix 3)

In this regard, the Audit Committee approves the appointment, transfer, and termination of the Company's internal auditor.

#### 4. Head of Compliance Office

Head of the Company's Compliance: the Company has assigned the Legal Manager to be responsible for overseeing the compliance with the rules of the official departments that govern the company's business operations, with the qualifications of the person holding the position of Head of the Company's Compliance Officer (more details about the Head of Compliance are shown in Appendix 3)

#### 2. Investor Relationship

The Company has assigned Mrs. Tharnthip Choktumstit to be the Company's Investor Relationship and her channel to contact is as follows:

E-mail : tharnthip@alucon.th.com

Telephone : 023980147 ext. 371

#### 3. Auditor Remuneration

The Company has appointed KPMG Poomchai Audit Limited as our Auditor for Y2021. On Y2021, there are the remuneration charged as follows:

##### 1. Audit remuneration

The Annual General Meeting No. 61 on 20<sup>th</sup> April 2021 has a resolution to appoint KPMG Poomchai Audit Limited as the Auditor. The list of Auditors are as follows:

1. Mrs. Piyatida Tangdenchai	CPA No. 11766
2. Mr. Sumeth Jangsamsee	CPA No. 9362
3. Mr. Banthit Tangpakorn	CPA No. 8509

Any auditor has the power to audit the accounts and express opinions on the Company's financial statements. The audit fee for Y2021 was 1,190,000 Baht, in accordance with the details shown in the form confirming the correctness of the remuneration paid to the auditor.

##### 2. Other charge

In Y2021, the Company has paid remuneration for other non-audit services to the auditing firm that the Auditor is affiliated with. The total amount of non-audit services was 450,000 Baht, which details of such services are shown in the form confirming the correctness of compensation paid to the auditor.

#### 4. Report on securities holdings and changes in securities holdings of directors and executives

The Company has policy requiring the Directors and the Executives of the Company to report their changes in securities holding to the Office of the Securities and Exchange Commission within 3 business days from the date of such change, and must send the report to SEC via online system. The Company Secretary shall then consolidate, summarize and present such report to the Board of Directors on quarterly basis. The report of changes in securities holding of the Directors and the Executives by comparing between the fiscal year ended 31<sup>st</sup> December 2020 and 31<sup>st</sup> December 2021 have been summarized as follows:

Name	Position	Number of Shareholding as of 31/12/2020	Number of Shareholding as of 31/12/2021	Change Increase / decrease Y2021	Shareholding Ratio (%)
1. Mr. Somchai Aungsananta	Chairman of Board of Directors	87,750	87,750	0	0.20
Spouse and minor child		600	600	0	0.01
2. Mr. Takaaki Takeuchi	Director – Managing Director	90,000	90,000	0	0.21
Spouse and minor child		-	-	-	-
3. Ms. Salinee Mahtani	Director – Assistant Managing Director, Risk Management Committee	245,000	245,000	0	0.56
Spouse and minor child		-	-	-	-
4. Mr. Subpachai Lovanit	Director – Plant Manager	59,400	59,400	0	0.14
Spouse and minor child		-	-	-	-
5. Mr. Maksimilan Pristovsek	Director – Senior Technical Plant Manager (Slugs)	44,100	44,100	0	0.11
Spouse and minor child		-	-	-	-
6. Ms. Vrinporn Uer-anant	Director / Chairperson – Audit Committee	154,300	154,300	0	0.36
Spouse and minor child		-	-	-	-
7. Mr. Krit Indhewat	Director / Audit Committee	155,250	155,250	0	0.36
Spouse and minor child		9,000	9,000	0	0.02
8. Mr. Toshiyuki Koike	Director / Audit Committee / Risk Management Committee	0	0	0	0
Spouse and minor child		-	-	-	-
9. Mr. Vibool Uer-anant	Director / Chairman – Risk Management Committee	10,000	10,000	0	0.02
Spouse and minor child		4,000	4,000	0	0.009

Name	Position	Number of Shareholding as of 31/12/2020	Number of Shareholding as of 31/12/2021	Change Increase / decrease Y2021	Shareholding Ratio (%)
10. Mrs. Eumporn Pamornbutr	Non-executive Director	58,500	58,500	0	0.14
Spouse and minor child		-	-	-	-
11. Ms. Kasumi Takeuchi	Non-executive Director	0	0	0	0
Spouse and minor child		-	-	-	-
12. Mrs. Theerapha Thirapatana	CFO	0	100	100	0.001
Spouse and minor child		-	-	-	-

\*The number of shares of all directors, executives, spouses and the minor child jointly hold in total of 2.12% but it does not exceed 25% of all issued shares

#### 5. Courses that Directors attending in Y2021

Directors have not yet attended additional training course due to the situation of the Covid-19 pandemic in the previous year.



## 8. Report on Key Performance of Corporate Governance

---

### 1. Summary of performance of Board of Directors in the previous year

In Y2021, Board of Directors held 4 meetings to formulate key policies and strategies to enhance the company's capabilities as well as closely monitoring the Company's operating results and financial status in order to allow the Company to smoothly pass through the COVID-19 crisis. In addition, the Company maintains the effectiveness of governance, the adequacy of the internal control system and corporate risk management. There were 4 Audit Committee meetings and 1 Risk Management Committee meeting as well.

#### 1. Recruiting, developing and evaluating the performance of Board of Directors

Board of Directors requires that the performance of Board of Directors and its sub-committees be assessed annually to consider works and problems for further improvements. This will use the guidelines according to the assessment recommended by the Stock Exchange of Thailand and make additional improvements to suit the Company's business operations. In Y2021, the Company has conducted an evaluation of the Board of Directors' performance and all sub-committees, which will assess both whole Board and each individual. This is a self-assessment from the assessment form which is adjusted from the SET's self-assessment form to suit the Company assessment process. The Company Secretary will send an assessment form to all directors at the end of each year for self-assessment and is the person who collects and reports the results to the Board of Directors' meeting annually for acknowledgment and discussion. However, the self-assessment results of all committees, both whole Board and individual, the average score is 3.94, which is quite high. In Y2021, the Company has appointed a new director. The Board of Directors jointly considered and nominated the appropriate person for the shareholders' meeting to approve the appointment. In this regard, the Board considers qualifications in terms of skills, experience, gender, and specific abilities that are beneficial to the Company. The directors must not have any prohibited characteristics under the Public Limited Companies Act. and does not have characteristics that indicate a lack of suitability to be entrusted with managing a business that is legally held by a public; and announcements of the Securities and Exchange Commission, including the selection of new directors, will be considered from the Director Pool database. The Company has given shareholders the opportunity to nominate a person to be elected as Directors according to the criteria set by the company which has published details on the Company's website at <http://www.alucon.th.com> by submitting the proposal to the Company by 31<sup>st</sup> January of every year.

#### 1. Criteria on Selection of Independent Directors

Board of Directors jointly considers the qualifications of the persons who will be independent director based on qualifications and does not have any prohibited characteristics according to Public Company Act, Securities and Exchange Act, Announcement of the Capital Market Supervisory Board including announcements, regulations and/or related regulations. In addition, Board of Directors considers the selection of independent directors from qualified persons, work experience and other suitability together, then will be presented to the shareholders' meeting for consideration and appointment as a director of the Company. The Company has a policy to appoint independent directors, at least one-third of the total number of directors and not less than three members. The Board of Directors has determined the qualifications of independent directors as follows:

The Company has determined the definition of the Company's independent directors **to be more stringent than the minimum requirements** of the Notification of the Capital Market Supervisory Board with regards to holdings of the Company's shares under No. 1 – 9 as follows:

1. Holding shares not exceeding 1% of the total number of shares with voting rights of the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, including shares held by related persons of such independent director;
  2. Neither being nor used to be an executive director, employee, staff, advisor who receives salary, or controlling person of the Company, its parent company, subsidiary company, associate company, same-level subsidiary company, major shareholder or controlling person, unless the foregoing status has ended not less than 2 years. Such prohibited characteristic shall not include the case where the independent director used to be a government official or advisor of a government unit which is a major shareholder or controlling person of the Company;
  3. Not being a person related by blood or legal registration as father, mother, spouse, sibling, and child, including spouse of child, executive, major shareholder, controlling person, or person to be nominated as executive or controlling person of the Company or its subsidiary company;
  4. Neither having nor used to have a business relationship with the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, in the manner which may interfere with his independent judgment, and neither being nor used to be a significant shareholder or controlling person of any person having a business relationship with the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, unless the foregoing relationship has ended not less than 2 years;
  5. Neither being nor used to be an auditor of the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, unless the foregoing relationship has ended not less than 2 years;
  6. Neither being nor used to be a provider of any professional services including those as legal advisor or financial advisor who receives service fees exceeding 2 million baht per year from the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person or partner of the provider of professional services, unless the foregoing relationship has ended not less than 2 years;
  7. Not being a director appointed as representative of directors of the Company, major shareholder or shareholder who is related to a major shareholder;
  8. Not undertaking any business in the same nature and in competition to the business of the Company or its subsidiary company or not being a significant partner in a partnership or being an executive director, employee, staff, advisor who receives salary or holding shares exceeding 1% of the total number of shares with voting rights of other company which undertakes business in the same nature and in competition to the business of the Company or its subsidiary company;
  9. Not having any other characteristics which cause the inability to express independent opinions with regard to the Company's business operations.
- After being appointed as independent director with the qualifications under No. 1 - 9, the independent director may be assigned by the Board of Directors to take part in the business decision of the Company, its parent company, subsidiary company, associate company, same level subsidiary company, major shareholder or controlling person, provided that such decision shall be in the form of collective decision.
- In the case where the person appointed by the applicant as independent director has or used to have a business relationship to provide professional services exceeding the value specified under No. 4 or No. 6, the Board of Directors may grant an exemption if the appointment of such person does not affect performing of duty and expressing of independent opinions. The following information shall be disclosed in the notice calling the shareholders meeting under the agenda for the appointment of independent directors:

- a. The business relationship or professional service which makes such person's qualifications not in compliance with the prescribed rules;
- b. The reason and necessity for maintaining or appointing such person as independent director; and
- c. The opinion of the Company's Board of Directors for proposing the appointment of such person as independent director.

## 2. Selection of Directors/Executives

The method of selecting persons to be appointed as directors and independent directors, at present, the Company does not have any Nomination Committee but in selecting the person to be top management position including directors and various committees, the Company has selected based on knowledge, competence and experience which are essentially consistent with the nature of the Company's business as well as considering the necessary skills that are still lacking in the committee by which qualified directors may be recruited from outsiders or from the director database of the Thai Institute of Directors, IOD, but must be a person who is suitable for the company's business.

In addition, the Company's directors and executives must not possess untrustworthy characteristics as determined by the Notification of the Securities and Exchange Commission as follows:

1. Having deficiency in legal competence or having been subject to any legal proceeding under the law governing capital market
  - 1.1 Being an insolvent person, or
  - 1.2 Being an incompetent or a quasi-incompetent person, or
  - 1.3 Having been named in any criminal complaint filed by the SEC; or having been subject to any legal proceeding following the criminal complaint initiated by the SEC; or having been sentenced to imprisonment by the court's final judgment and it has not yet surpassed the three-year interval time after either the person completed the term of imprisonment or the suspension of sentence period was over, provided that the action taken hereto shall base upon the violation of the Securities and Exchange Act or the Derivatives Act.
2. Having any record of deceitful, fraudulent or dishonest management of assets
  - 2.1 Having been named in any criminal complaint filed by a financial regulatory authority or subject to any legal proceeding following the criminal complaint initiated by a financial regulatory authority, or barred from serving as director or executive of a financial regulatory agency, whereas the term "financial regulatory authority" herein means both local and foreign one; or having been sentenced to imprisonment by the court's final judgment and it has not yet surpassed the three-year interval time after either the person completed the term of imprisonment or the suspension of sentence period was over, provided that the action taken hereto shall base upon the commission of offences regarding deceitful, fraudulent or dishonest management of assets which has caused damage to either the financial institution which with which the person was associated or the customers thereto; or
  - 2.2 Having been sentenced to imprisonment by the court's final judgment and it has not yet surpassed the three-year interval time after either the person completed the term of imprisonment or the suspension of sentence period was over, provided that the action taken hereto shall base upon the commission of public offences regarding deceitful, fraudulent or dishonest management of assets; or
  - 2.3 Having been subject to the court's order of asset seizure under the Counter Corruption Act, the Anti-Money Laundering Act or any other similar law and it has not yet surpassed the three-year interval time after the date on which the court issued such order.

3. Having engaged in any transaction, practice or course of business which, if considered on a reasonable ground, materially affected shareholders, company or capital market

3.1 Acted or omitted to act, without good faith or with gross negligence, in executing any transaction for the company or its subsidiary, which caused damage to the company or shareholders or generated unjust enrichment for oneself or others; or

3.2 Disclosed or disseminated false information or statement regarding the company or its subsidiary which may cause misunderstanding

or concealing material facts that should have been stated which may affect decision making of shareholders, investors or other parties involved, either by ordering, taking responsibility for or involving in preparation, disclosure or dissemination of such information or statement by taking or omitting to take any other action, unless the person can prove that, by virtue of own position, status or duty, he was not aware of such untruth or omission; or

3.3 Engaged in any unfair practice or taking advantage of investors in trading securities or derivatives or aided or abetted thereof.

### 3. Election of Directors

Directors shall be elected by the General Meeting of Shareholders pursuant to the criteria and procedures as follows:

1. A shareholder shall have the number of votes equal to the number of shares held by him multiplied by the number of the Directors to be elected.
2. The shareholder may exercise the number of votes he is entitled to sub-clause (1) to elect one or more persons as the Directors of the Company. In case he elects more than one person, his number of votes must be equally distributed to such persons.
3. The person who receives the votes of the highest number and the next persons in the order of the number of votes received shall be elected Directors in the number permitted. In case the next persons in the order of the number of votes received obtain equal numbers of votes and the number of such persons exceeds the remaining number of Directors permitted, the Director to be elected therefrom shall be decided by the Chairman.

In the event that the persons who are elected in descending order have equal votes, exceeding the number of committees that should be or will be elected at that time, the chairman shall have a casting vote.

At the Annual General Meeting of shareholders one-third of the Directors, or if their number is not multiple of three, then the number nearest to one-third must retire from office.

Directors to retire first must be those having been elected the longest period and those in alphabetical order.

A retiring Director is eligible for re-election. The term of any Director shall be terminated upon the occurrence of any of the following:

- (1) his/her death
- (2) his/her resignation
- (3) his/her being disqualified or possessing any of the prohibitive attributes as per Section 68 of the Public Limited Company Act B.E. 2535
- (4) when a shareholders' meeting has resolved that he be relieved of his post per section No. 18
- (5) upon the court's order that he be relieved of his post.

Any Director wishing to resign shall submit his resignation to the Company in writing. The resignation shall take effect from the date on which his resignation reaches the Company. The Directors who has resigned per the first paragraph may also notify the Registrar of his resignation.

In case the position of Director has been vacated owing to reasons other than by completion of his tenure, the Board of Directors shall elect a qualified person not having any prohibitive attributes pursuant to Section 68 of the Public Limited Company Act. B.E. 2535 as a replacement Director for subsequent meetings of the Board of Directors unless the remaining period of the tenure shall be less than two months. The resolution of the Board of Directors pursuant to the first paragraph shall be passed by an affirmative vote of not less than three-fourths of the remaining Directors. At a meeting of shareholders, a resolution may be passed to relieve a Director

of his post prior to his completing his tenure by the affirmative votes of not less than three-fourths of the shareholders who attend the meeting and entitled to vote thereat and who hold shares in aggregate of not less than half of the total number of shares held by the shareholders attending the meeting and entitles to vote thereat.

#### 4. Number of Consecutive Terms of Directors

The Company considers that every director who has been elected by the shareholders' meeting has the qualifications, knowledge, and capabilities that are accepted by all, has morals and ethics, and has satisfactorily performed his duties. If the shareholders' meeting gives their trust by re-electing the director, the Company respects the rights of the shareholders and therefore has not predetermined the number of consecutive terms of directors or the number of years of being a director for more than 9 years in anyway.

#### 5. Preparation of a succession plan for the top management of the organization

The Company does not have a succession plan for the top executive of the organization.

## 2. Details of Attendance and Remuneration Payment of Directors

As of 31<sup>st</sup> December 2021, the Company has 11 directors and the Board of Directors has 4 meetings on Y2021 and their attendance are as follows

Director	Position	Board of Directors' Meeting	AGM 2021
1. Mr. Somchai Aungsananta	Independent Director, Chairman of Board of Directors	4/4	✓
2. Mr. Takaaki Takeuchi	Director, Managing Director	4/4	✓
3. Ms. Salinee Mahtani	Director, Assistant Managing Director, Risk Management Committee	4/4	✓
4. Mr. Subpachai Lovanit	Director, Plant Manager	4/4	✓
5. Mr. Maksimiljan Pristovsek	Director, Senior Technical Plant Manager (Slugs)	3/3*	✓
6. Ms. Vrinporn Uer-anant	Independent Director, Chairperson - Audit Committee	4/4	✓
7. Mr. Krit Indhewat	Independent Director, Audit Committee	4/4	✓
8. Mr. Toshiyuki Koike	Independent Director, Audit Committee, Risk Management Committee	4/4	✗ **
9. Mr. Vibool Uer-anant	Independent Director, Chairman – Risk Management Committee	4/4	✓
10. Mrs. Eumporn Pamornbutr	Director	4/4	✓
11. Ms. Kasumi Takeuchi	Director	4/4	✗ **

Remark: \* Mr. Maksimiljan Pristovsek has just been appointed as the director since 20<sup>th</sup> April 2021; thus, he attended the Board of Director's only three times.

\*\*Both directors did not attend the Annual General Meeting No. 61 because of the outbreak of COVID19 and the Government does not allow the foreigner to enter into Thailand.

## Director Remuneration

### 1. Remuneration in cash

This remuneration in cash has been approved from the Annual General Meeting No. 61 on 20<sup>th</sup> April 2021. The details can be illustrated as follows:

Details	2020	2021
• Chairman of Board of Directors	650,000/person	650,000/person
• Directors	400,000/person	400,000/person
• Chairperson of Audit Committee	300,000/person	300,000/person
• Audit Committee	250,000/person	250,000/person
• Chairman of Risk Management Committee	50,000/time	50,000/time
• Risk Management Committee	30,000/time	30,000/time

List of Directors	Remuneration			
	Remuneration	Meeting Allowance	Transpotation	Total
1. Mr. Somchai Aungsananta	650,000.00	-	84,000.00	734,000.00
2. Mr. Takaaki Takeuchi	400,000.00	-	-	400,000.00
3. Ms. Salinee Mahtani	400,000.00	-	-	400,000.00
4. Mr. Subpachai Lovanit	400,000.00	-	-	400,000.00
5. Mr. Maksimiljan Pristovsek	280,547.95	-	-	280,547.95
6. Ms. Vrinporn Uer-anant	700,000.00	-	84,000.00	784,000.00
7. Mr. Krit Indhewat	650,000.00	-	84,000.00	734,000.00
8. Mr. Toshiyuki Koike	680,000.00	-	84,000.00	764,000.00
9. Mr. Vibool Uer-anant	450,000.00	-	60,000.00	510,000.00
10. Mrs. Eumporn Pamornbutr	430,000.00	-	45,000.00	475,000.00
11. Ms. Kasumi Takeuchi	400,000.00	-	60,000.00	460,000.00

### 2. Special Remuneration

The Company, Board of Directors and Shareholders' Meeting have no payment on the special remuneration to the Board of Directors or Sub-committees in Y2021.

### 3. Other remuneration in other kind

There is no payment on remuneration in other kind to the Board of Directors or Sub-committee in Y2021.

### 3. Control on Subsidiary Company and affiliate company

- none –

### 4. Monitoring to ensure compliance with policies and guidelines for corporate governance

The Company places importance on good corporate governance and established related policies and practices in the Corporate Governance Policy and the Code of Conduct and encourages practice to build confidence among all groups of stakeholders. In the past year, the Company monitored to ensure compliance with good corporate governance covering 1) employee care and non-discrimination; 2) anti-unfair competition; 3) environment, health and safety in the organization; and 4) Information security. The results showed that the Company completely followed the guidelines of each issue. In addition, in order to comply with the good corporate governance, the Company followed up on other four issues as follows:

#### 1. Protection on Conflict of Interests

The Company is committed to conducting business under the principles of good corporate governance with honesty and places importance on prevention of conflicts of interest in order to operate business with transparency and adherence to the principles of good governance. The Company established guidelines for directors, executives and employees to practice in preventing such conflicts of interest. Conflict of interest policy and practice are as follows:

1. Connected transactions shall comply with the connected transactions policy and a guide for connected transactions. Such transactions shall be reviewed and supervised without any stakeholder involved in the interest to take part in decision-making on connected transactions. In the event that a transaction requires approval from the Board of Directors, the Audit Committee shall consider and give opinions, as well as undertake to ensure complete and accurate disclosure to the public.
  2. To avoid any action that may cause contradict or conflict of interest with the Company, including using one's position or allowing others to use it in pursuit of personal interests or related parties, whether directly or indirectly.
  3. To avoid holding shares or to carry out transactions or participation or external activities or holding another position, including a director, consultant, representative in other businesses or organizations which have conflicts, or have transactions or conduct business that contradicts or conflicts with the interests of the Company, whether directly or indirectly. In addition, the procedures shall not affect or damage the Company and performance of that person's company.
  4. In the case of any transaction or activity that may have direct or indirect interests which may contradict or conflicts with the interests the Company, directors, executives, employees and related persons are obliged to notify a designated unit, person or supervisor or authority, and shall not participate in decision-making in the interest '
- In the past year, the Company did not have a case that may cause a conflict of interest.

#### 2. Usage of Inside Information for Exploitation

The Company have the policy to prevent and supervise directors, executives, and employees of the Company including persons who are presumed to know or possess inside information under the Securities and Exchange Act, B.E. 2535 ("Securities Act") from using inside information which has not yet been disclosed to the public for personal gain as follows:



1. The Company provides knowledge to directors, executives of the Company, including those holding executive positions in accounting or finance, who are department managers or higher or equivalent (as defined by the Capital Market Supervisory Board and the Stock Exchange of Thailand) regarding the duty to report the securities holding of the Company under Section 59 and the penalties under Section 275 of the Securities Act, as well as to report on acquisition or disposition of the Company's securities under Section 246 and the penalties under Section 298 of the Securities Act.
2. It determines that
  - (a) directors and executives, including those holding executive positions in accounting or finance, who are department managers or higher or equivalent shall be responsible for preparing and disclosing their securities holding reports issued by the Company, including their spouses or those who live with them as husband and wife and
  - (b) juristic persons in which persons under (a) hold shares in aggregate more than 30 percent of the total voting rights of such juristic person and the aggregate holding shares is the largest proportion of that legal entity under the Notification of the Securities and Exchange Commission and Section 59 of the Securities Act for the first time, within 7 business days of the statutory reporting duties, and within 3 business days for every change by buying, selling, transferring or accepting transfer of securities, through the Company's Secretary in order to submit to the Office of the Securities and Exchange Commission at all times. The Company's Secretary is assigned to summarize a report on the securities holding and changes in securities holding to the Board of Directors' meeting for acknowledgment every six months.
3. No directors and executives, including persons holding executive positions in accounting or finance who are department managers or higher or equivalent and related practitioners who have received inside information about financial statements, financial position or operating results of the Company and other material inside information, shall buy, sell, offer for purchase, or offer for sale, or solicit others to buy, sell, offer, offer for purchase, or offer for sale of shares or other securities (if any) of the Company, whether directly or indirectly, in the period before financial statements or financial status and operating results of the Company are published until the Company discloses the information to the public itself. The Company will notify directors and executives to refrain from doing the above transactions in writing at least 30 days prior to the public disclosure and it may take at least twenty-four hours after disclosure to the public to be able to perform the above actions.
4. No directors, executives, and employees of the Company, including persons who are presumed to know or possess inside information under the Securities Act, shall use the Company's inside information that has or may have an impact on changes in a price of the Company's securities, which has not been disclosed to the public and which they have obtained in such position for buying, selling, offering for purchase, offering for sale, or soliciting others to buy, sell, offer for purchase, or offer for sale of shares or other securities (if any) of the Company, whether directly or indirectly and whether such actions are performed for the benefit of themselves or others, or disclose such facts to others to do so, whether for the benefit or not.
5. No directors, executives, employees of the Company including persons who are presumed to know or possess inside information under the Securities Act, shall disclose the Company's inside information or confidentiality, as well as confidential information of the Company's business partners, that they have gained from their performance to third parties, regardless of damage to the Company or business partners.

6. Directors, executives, and employees of the Company including persons who are presumed to know or possess inside information under the Securities Act, shall keep the Company's confidentiality and/or inside information No directors, executives, and employees of the Company including persons who are presumed to know or possess inside information under the Securities Act, shall use the Company's confidentiality and/or inside information for other companies.
7. Directors, executives, and employees of the Company including persons who are presumed to know or possess inside information under the Securities Act, shall comply with the insider information usage guidelines under the Securities Act and the Public Limited Companies Act including other relevant rules

### 3. Anti-Corruption

The Company established a written anti-corruption policy by conducting its business with fairness based on a philosophy that the Company shall demonstrate a keen sense to social responsibility and the best interests of its stakeholders in alignment with the principle of Business Ethics Guidelines.

Corruption means any types of bribery such as an offer, promise, guarantee, inquire, or acquisition on money, asset, or other inappropriate benefits from the government officers, government sectors, private sectors, or responsible person either in direct or indirect action so that such person could proceed or disregard his/her function in order to acquire, retain the business, recommend specific company to the entity, or achieve any improper benefits in business transaction. Exception shall be applied in case of laws, regulation, statement, standard, custom, or business traditions enable to do so.

Director, Management Team, and Alucon staffs are prohibited from operating or accepting every type of corruption both in direct or indirect manner covering every business and related department in every country. The Anti-Corruption Policy is needed to be reviewed regularly, including with a possible revision of such policy and implementation provision in order to accord with business changes, regulation, standard, and laws.

The Board of Directors has resolved to participate in the Collective Action Coalition by the Thai Institute of Directors Association by showing their intention and having prepared a manual on the anti-corruption section as a guideline for the implementation of such matters.

The Company has assigned internal auditors to assess the risks and impacts of anti-corruption.

### 4. Whistleblowing

The Company has put in place measures for complaints and whistleblowing to the Board of Directors. If anyone sees an action that may cause suspicion that it is corruption can report a clue or file a complaint at [pitipong@alucon.th.com](mailto:pitipong@alucon.th.com). The complaints or clues will be sent directly to the Audit Committee and the Board of Directors of the Company respectively and the complainant is confident that the complainant will keep the complainant's information confidential and there is a process to protect and protect the complainant's rights from being affected by such whistleblowing or complaint to the Company and will appoint a person or an internal auditor to monitor every clue or complaint in accordance with the established rules and procedures. The Company will regularly assess the risks of activities related to or prone to corruption.

## 1. Whistle-blowing and complaints

In order to encourage stakeholders, both in and outside the company, to participate in the corporate governance principles, should employees or stakeholders suspect any unlawful activities or those in violation of the law, rules, regulations, code of business conduct, or corporate governance principles, they can undertake whistle-blowing or file complaints with detailed evidence to the company or relevant agencies via the following channels:

### Audit Committee

Tel : (02) 3980147 ext. 381  
Email : Pitipong@alucon.th.com  
Mail : Audit Committee  
Corporate Secretarial Office  
Alucon Public Company Limited  
500 Moo 1 Soi Sirikham  
(Sukhumvit 72) Samrong Nue,  
Muang Samutprakarn,  
Samutprakarn Province 10270

### Managing Director

Mail : Managing Director  
Alucon Public Company Limited  
500 Moo 1 Soi Sirikham  
(Sukhumvit 72) Samrong Nue,  
Muang Samutprakarn,  
Samutprakarn Province 10270

## 2. Conditions of whistle-blowing and complaints

- 2.1 The details of whistle-blowing or complaints must be factual, clear, or sufficient to lead to investigation.
- 2.2 The whistle-blower or the complainant may choose not to reveal his/her name, address, and telephone number(s) if the disclosure will cause danger or damage. But if the person chooses to reveal himself/herself, the investigation will proceed with speed, with additional useful information, factual revelation, or alleviation of the damage in a more convenient way and shorter time.

2.3 The information received is considered confidential, and no disclosure of the name of the whistle-blower or the complainant will be made public without consent.

2.4 The rights of the whistle-blower or the complainant will be protected whether he/she is an employee or an outsider.

2.5 The time required to process each complaint depends on the complexity of the case, document sufficiency, proofs received from the complainant, as well as documents, proofs, and explanations of the person complained against.

2.6 The person who receives the complaint and the person involved in the investigation must keep the filed information confidential. If necessary, they may disclose it taking into account the safety of and the damage to the complainant or any person who cooperates in the investigation, the information sources, or relevant persons.

2.7 If the complainant or the person who cooperates in the investigation thinks that he/she is unsafe or threatened, he/she may ask the company for appropriate protective measures, or the company may proactively provide protective measures if there is potential damage or danger.

2.8 The damaged person will be assisted by proper and just procedures.

## 3. Protection of rights of employees, temporary employees, and outsourced persons

The company will not unfairly treat employees, temporary employees, or outsourced persons, whether through changes in position, nature of work, or locations of work, suspension, threats, obstruction of work, termination of work, or any unfair act to these people because they:

- 3.1 Provide information, cooperation, assistance to the directors, executives, the public sector, or the monitoring agency if there is sufficient proof that those people violated or abused law, rules, regulations, the code of business conduct, or corporate governance principles

- 3.2 Give testimony, submit evidence, or provide assistance to the directors, executives, the public sector, or the monitoring agency useful to the consideration or investigation if there is doubt of the violation or abuse of law, rules, code of business conduct, or corporate governance principles.

In the previous year, there were no complaints through the complaints system that allows third parties and employees to take part in informing the whistleblower of offenders arising from non-compliance with the law, policies, regulations and codes of conduct and measures to protect complainants and whistleblowers.

## 5. Policy and guidelines for non-infringement of intellectual property or copyright

The Company is aware of the importance of intellectual property and copyrights, whether they belong to the Group or third parties, and conducts prevention of any infringement of intellectual property, copyrights, trademarks, and service marks.

The Company monitors infringement of copyrights, trademarks, and service marks from third parties, as well as preparing a guideline for employees to prevent infringement of the Company's intellectual property and copyrights, either for their own benefit or for others.

The Company has a policy of information security with the objective of conducting operations that are not contrary to the law, including non-infringement of intellectual property and copyrights. The Company also provides a system to prevent infringement: employees using the Company's information device or equipment cannot install additional programs other than those installed by the Company. In the event that an employee brings personal information devices, they shall first notify the IT team for inspection and shall register in writing. It must also be approved by the senior management of the IT team, and the devices shall be used with copyrighted software with correct antivirus software installed updated security, and current soft patches for the system. The Company's host will monitor the usage rights and copyrights, as well as a renewal in all systems.

In addition to intellectual rights and copyrights related to such technology, the Company established a guideline for all departments to prevent themselves from violating intellectual property rights.

## 2. Report on the performance of the Audit Committee in the past year

### 1. The number of attendance to the Audit Committee

Name	Position	The number of Attendance
1. Ms. Vrinporn Uer-anant	Chairperson of Audit Committee	4/4
2. Mr. Krit Indhewat	Audit Committee	4/4
3. Mr. Toshiyuki Koike	Audit Committee	4/4

## 2. Report of the Audit Committee

The Company has presented the Audit Committee Report, which was prepared on 25<sup>th</sup> February, 2022. All details can be found in Appendix 6. This report covers all 8 areas as follows:

1. Financial report
2. Internal Control
3. Anti-corruption supervisions
4. Internal audit supervisions
5. Compliance with rules and laws supervisions
6. Connected transaction or conflicts of interest
7. Auditor
8. Self-assessment

The Audit Committee has an overall opinion that the Company is ethical and committed to performing its duties to achieve professional quality goals and keep up with the changes. It has given great importance to the operation under an effective, transparent corporate governance system, including a strict risk management system and internal control system enough and appropriate.

## 3. Report on the performance of sub-committees

### 1. The number of attendance to Risk Management Committee

Name	Position	Number of Attendance
1. Mr. Vibool Uer-anant	Chairman of Risk Management Committee	1/1
2. Mr. Toshiyuki Koike	Risk Management Committee	1/1
3. Ms. Salinee Mahtani	Risk Management Committee	1/1

### 2. Report of the Risk Management Committee

The Company has presented the Risk Management Committee Report, which was made on 25<sup>th</sup> February 2022. Full details can be found in Appendix 7.

## 9. Internal Control and Connected Transactions

---

### 1. Internal Control

#### 1. Board's opinion on internal control

Board of Directors realizes the importance of having a good internal control system and it is an important duty that must be undertaken to ensure that the Company has an internal control system that is suitable and sufficient to supervise its operations in accordance with the goal, objectives, laws and related regulations, effectively helping to prevent and manage risks or damages that may happen to the Company and stakeholders can protect assets from fraud including the preparation of accurate, reliable accounting and financial reports with complete, adequate and timely disclosure of information. The Board of Directors has considered and assessed the sufficiency of the internal control system in 5 sectors in accordance with The Committee of Sponsoring Organizations of Treadway Commission ("COSO") which is comprised with 1) Control Environment 2) Risk Assessment 3) Control Activities 4) Information and Communication 5) Monitoring Activities. The Board of Directors has an opinion that the internal control system of the Company. The Board of Directors is of the opinion that the Company's internal control system is sufficient, appropriate and consistent with the SEC's internal control system sufficiency assessment form whereby the Company has provided enough personnel to operate the system efficiently. There is also an internal control system for monitoring and supervising the Company's operations so as to prevent the Company's assets from being misused or without authority, including any transactions with persons who may have any conflicts and those who are connected person enough. For other internal controls, Board of Directors is of the opinion that the Company has sufficient internal control as well and has considered and approved the Company's internal control sufficiency assessment form. The Company has summarized the details of the internal control sufficiency assessment in the internal control system sufficiency assessment form as follows:

##### 1. Control Environment

the Company has an appropriate control environment as follows:

- The Board of Directors is independent from the management and is knowledgeable, good business expertise by having the Charter of Board of Directors and sub-committees as clearly stated such as Charter of Audit Committees and Charter of Risk Management Committee in order to perform the duties of Board of Directors with efficiency, effectiveness, fairness and in accordance with the Company's good corporate governance guidelines. There is also a process of nomination and consideration of qualifications of directors and executives under the supervision of Board of Directors before proposing them to the shareholders' meeting for consideration and appointment.
- There is Code of Conducts, Corporate Governance Principles and Anti-Corruption Measures in writing as well as clearly communicated to directors, executives and employees through training arrangements and online media, as well as communicated to outsiders for acknowledgment.
- Performance is monitored and evaluated in accordance with the Company's Code of Conduct, which arranges for executives and employees to do its annual assessments.
- To set clear and measurable business goals and to organize training in various courses and to set an annual training plan, in order to develop personnel in accordance with the Company's business strategy and to create motivation and to organize activities to relieve work pressure for employees.

##### 2. Risk Assessment

The Company has a risk assessment and identified the organizational risk factors as detailed in the topic "Risk Factor". Whereas, the overall operation of the risk assessment can be summarized as follows:

- The Company can comply with generally accepted accounting standards, which has been confirmed according to the report of the Certified Public Accountant in writing and ensuring that the transactions in the financial reports are real and complete in all important respects, accurately representing the rights or obligations of the Company have reasonable value and disclose complete and accurate information.
- Risk management is supervised by the Risk Management Committee being responsible for review and assess risks that cover both internal and external factors and including fraud risks and there is a follow-up on operational plans to manage risks at both organizational and operational level.
- There is communication to employees on having knowledge and understanding of risks through training and attaches importance to the new law that affects the change in operations, namely Personal Data Protection Act B.E. 2562 by inviting outside consultant to educate to the directors, executives and relevant employees to realize that the importance and lead to improvements in related processes to ensure proper compliance with the law.
- Corporate strategy management assesses changes in business patterns that may affect business operations, to adjust the strategy and goals of the organization in accordance with the changing environment. There is an assessment of relevant factors to study, research and follow up on various information such as movements of other entrepreneurs in the same business type and economy at both macro and micro level, in order to assess the risks that will affect the Company.

### 3. Control Activities

The Company controls the operation to be effective in order to reduce the risk to an acceptable level. The key control standards are as follows:

- There are policies and operating procedures that support proper internal control. It covers important processes such as transaction with major shareholders, directors, executives or those related to them. Process for approval of transactions such as finance, procurement and general administration including the separation of duties to be appropriate.
- To establish anti-corruption policies and measures, conflict of interest management policy, connected transaction policy as a guideline for the operation of the company's personnel, as well as to communicate to business partners and different groups of stakeholders, for acknowledgment.

### 4. Information and Communication

The Company has an efficient information and communication system as follows:

- Board of Directors has set the policies and measurements on confidentiality, integrity, info availability including management of sensitive information that may affect to the stock price ) and also control the directors, executives, employees and third person who may involve on such information, to comply with the information security system.
- To manage important information, both financial and other information, effectively and have a system to communicate information sufficiently and timely for Board of Directors to use in effective decision-making by providing the communicated information to Board of Directors prior to the meeting date, in advance, as prescribed by law. In the previous year there has been a significant event which is an outbreak of COVID-19.



The management has taken in a crisis and reported to the Board in a timely manner, as well as communicate to employees and outsiders to receive accurate information through various channels appropriately and in a timely manner.

- There are internal and external communication channels through the Company's intranet system and website for interested parties to be informed of the Company's information, including

channels for reporting information or complaints such as fraud, ethical violations, or non-compliance with company's rules.

- In terms of information security, the Company maintains systematic and categorized storage of important company documents, and the company plans to develop more electronic document storage to facilitate document retrieval as quickly as possible, to prevent document loss and reduce paper document retention.

## 5. Monitoring Activities

The Company has an efficient and appropriate monitoring system as follows:

- The performance was monitored to ensure that the business goals were achieved through Board of Directors' Meeting at 4 times in the previous year. The Managing Director will report the progress to the Board of Directors' Meeting for acknowledgment.
- Compliance with the internal control system is regularly reviewed by the Internal Audit, which directly reports to the Audit Committee and internal auditors are encouraged to continually improve our operations to meet international standards.
- There is a clear policy and communication channel so that the management can report to the Audit Committee and Board of Directors in a timely manner communicated "Anti-Corruption Measures" in the event of corruption or suspected that there was an incident of corruption or there is a violated practice and other unusual actions, etc.

## 2. Report of the internal auditor on the internal control system

The internal auditor is an independent unit and reports to the Audit Committee. It is responsible for auditing and evaluating the adequacy of the Company's internal control system both financial and non-financial information including reviewing compliance with various rules and give suggestions to develop and improve the Company's operations to ensure that the Company fully complies with the rules and regulations of relevant laws as well as have good governance and internal control able to achieve the operational objectives of the organization. The preparation of the audit plan is in accordance with the principles of risk assessment affecting the Company's operations and covers the operational processes of the organization being approved by Audit Committee. The scope of work of Internal Audit Department covers auditing, monitoring, controlling, testing, reviewing and evaluating sufficiency and the efficiency of the Company's internal control system including the quality of the operations are as follows:

- Reliability of the internal control system as well as compliance with accounting and financial standards and policies are accurate and reliable. There are organizational structure plan, methods and measures to protect assets from misuse and to keep them away from all kind of frauds.
- Reliability of the internal control system against corruption, to be in line with and respond to the Company's anti-corruption measures, which helps to promote ethical business operations and develop more sustainable, consisting of a framework for receiving complaints. Complaint management by coordinating with relevant departments to resolve problems and find preventive measures for employees including other stakeholders, there are channels for reporting complaints or clues about corruption incidents or suspected that there was an incident of corruption or there is a practice being violated the law and other unusual actions, etc.
- Reliability of the internal control system in relation to management and operations that it operates in accordance with the policies, plans, and laws, rules, regulations, governmental and regulatory bodies and company regulations covering activities in various fields.

Internal auditor regularly report on audit results and follow-up progress on deficiencies, including suggestions to the Audit Committee. The internal auditors are independent and is eligible to access company information and assets related to operations including being able to request information and words clarification from those involved in the matter assigned for their audit. In addition, internal auditors also provide advice about the operation and encourage the various departments in the company to self-assess the risks, to ensure that the internal control system and the Company's operations are efficient and effective. The financial reports are reliable and compliance with legal requirements government regulations order and announcements of the Company, including to protect the company's assets and prevent damage that may occur to the Company as well as to create appropriate balances and checks between each other in order to have reasonable confidence in the Company's operations to achieve the set goals.

### 3. Internal Audit of the Company

The Company has outsourced to Dharmniti Internal Audit Co., Ltd., our Company's internal auditor. Dharmniti Internal Audit Co., Ltd. has assigned a team to run the internal audit process in various matters as assigned by the Audit Committee. Such team has qualifications to perform their duties appropriately enough (Please see the additional details about the internal auditor in Appendix 3). In this regard, the Audit Committee will approve the appointment, transfer and dismissal of the Company's internal auditor.

## 2. Connected Transaction

### 1. Details of connected persons and connected transactions

The Company has a policy to proceed the related transactions with important related companies. Such transactions must be reported and approved by the Board of Directors in accordance with the rules prescribed by the Stock Exchange of Thailand. Once, it has been approved by the Board of Directors, it will be reported to the Stock Exchange of Thailand every time. The connected transactions of the Company and connected persons who may have conflicts of interest in the fiscal year ended 31<sup>st</sup> December, 2020 and 31<sup>st</sup> December, 2021 can be summarized as follows:

Related Party	Relationship	Type	Value (MB) As of 31/12/2020	Value (MB) As of 31/12/2021	Necessity and suitable reason
Takeuchi Press Industries Co., Ltd.	Majority shareholder at 71.65%	Sale of Goods	1,067.3	1,196.1	Takeuchi Press Industries Co., Ltd. acts as an intermediary in the sale of aluminium container and slug, to the customers in Japan who had no experience in importing goods, self-directed and are happy to order the company through its Takeuchi Press Industries Co., Ltd. The sale price is the market price or the price according to the agreement determining the selling price structure, taking into account the actual cost plus a margin, as well as the size of the products sold, quality being sold and shipping cost.

Related Party	Relationship	Type	Value (MB) As of 31/12/2020	Value (MB) As of 31/12/2021	Necessity and suitable reason
		Materials and spare parts	9.5	16.3	Purchasing transaction supporting the Company's normal business by purchasing raw materials and spare parts in lower price than other suppliers, which cannot be sourced out locally.
		Machines and equipments	0.3	-	Purchasing transaction supporting the Company's normal business in lower price than other suppliers, which cannot be sourced out locally.
		Royalty Fee	16.8	18.2	The Company has entered into a Basic Technical Licensing Agreement with Takeuchi Press Industry Co., Ltd. under such conditions, the company will receive technical assistance, including technical information, expertise, equipment for the production, and the rights to sell the products of which the Company shall pay royalty fee and commission based on a percentage of sales. The transactions are normally as agreed in accordance with the agreement as same as the market price.
		Commission	2.1	2.4	Being paid a commission based on a percentage of sales that is normal business as the prices and considerations according to the normal trading.
		Other expenses	-	-	Being a normal business as the price and consideration according to the normal trading.

Related Party	Relationship	Type	Value (MB) As of 31/12/2020	Value (MB) As of 31/12/2021	Necessity and suitable reason
		Account receivable	60.5	98.4	Payment condition is normal to be treated with other customers by the Company.
		Account payable	1.7	-	Payment condition is normal to be treated with other customers by Takeuchi Press Industries Co., Ltd.
		Accrued commission payable	0.7	0.5	Payment condition is normal to be treated with other customers by Takeuchi Press Industries Co., Ltd.
		Accrued interest payable	5.1	3.8	Payment condition is normal to be treated with other customers by Takeuchi Press Industries Co., Ltd.

## 2. Necessity and Reasonableness of Connected Transactions

The Audit Committee's Meeting has considered the information of the connected transactions of the Company and considered that the transactions were necessary and beneficial to the Company's business operations and/or were transactions that are in line with the Company's normal business operations and in accordance with the general trading conditions in the same manner as a sensible person would do with a general counterparty in the same situation with the bargaining power of trade without influence as a person who may have conflicts (Arm's Length Basis).

## 3. Procedures for approval of the connected transactions

The Board of Directors has set procedures for approval on the connected transaction with related company that would have conflict of interest being under the scope of good corporate governance by proposing to the Board of Directors for consideration and approval on the connected transaction jointly with the audit committee in order to consider it to be fair, reasonable and appropriate pricing policies by taking into account the interests of the Company and its shareholders. Also, it must be complied with the regulations of Stock Exchange of Thailand and Securities and Exchange Commission. Any directors who involve such connected transaction shall abstain on the vote to such matter.

## 4. Policies and prospects for future transactions

The Company continues to cause the connected transactions with related parties. With regard to the transaction that the Company have done for the business and it would be in line with the normal business conditions. There is no benefit transfer between the Company and the related company. The Company affirms that it runs business with transparency in accordance with good corporate governance policy, and strictly comply with the regulations of Stock Exchange of Thailand and Securities and Exchange Commission Bureau. In addition, the Company has disclosed its connected transactions and acquisition and disposal of significant property in the Note accompanying to the financial statement being audited by the auditor of the Company.

The background features a large, light green circular shape on the left side. Scattered across the page are various small green icons, including leaves, recycling symbols, and a solar panel, suggesting a focus on sustainability or environmental themes.

Section

3

# Financial statements

Alucon Public Company Limited  
Financial statements for the year ended  
31 December 2021  
and  
Independent Auditor's Report

# Financial statements

---

## Independent Auditor's Report

To the Shareholders of Alucon Public Company Limited

### *Opinion*

I have audited the financial statements of Alucon Public Company Limited (the “Company”), which comprise the statement of financial position as at 31 December 2021, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2021 and its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (“TFRSs”).

### *Basis for Opinion*

I conducted my audit in accordance with Thai Standards on Auditing (“TSAs”). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that is relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### *Key Audit Matters*

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were 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 these matters.

---

## Valuation of defined employee benefit plan

---

Refer to Note 3(i) and 12 to the financial statements.

---

The key audit matter	How the matter was addressed in the audit
The valuation of the defined employee benefit plan requires significant judgment of the Company because the Company has a significant number of employees who are potentially able to meet the conditions of the defined employee benefit plan and there is a low employee turnover rate. The assumptions used for estimation requires judgment of the Company and has uncertainty of estimates made in respect of long-term trends and market conditions to determine the value of employee benefit obligations, this is focus area in my audit.	<p>My audit procedures included testing underlying data provided to the actuary on a sample basis for calculation of the employee benefit obligation. I evaluated the competence and independence of the Company's actuary and assessed the key assumptions with the actual result incurred in previous years. Moreover, I involved KPMG actuarial specialist to assist me in assessing the appropriateness of the assumptions and methodologies applied for the valuation of the defined benefit obligation by considering the actuarial report and by comparison of key assumptions against externally derived data and performed the sensitivity analysis, which included assessing if the effect of the change of key assumptions were reasonably possible.</p> <p>In addition, I also assessed the adequacy of the Company's disclosure in accordance with Thai Financial Reporting Standard.</p>

### *Other Information*

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

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

In connection with my audit of the financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the correction be made.

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with TFRSs, and for such internal control as management determines 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, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible 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 judgment and maintain professional skepticism 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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

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

(Piyatida Tangdenchai)  
Certified Public Accountant  
Registration No. 11766

KPMG Phoomchai Audit Ltd.  
Bangkok  
25 February 2022

# Alucon Public Company Limited

## Statement of financial position

Assets	Note	31 December	
		2021	2020
		(in Baht)	
<b>Current assets</b>			
Cash and cash equivalents	5	1,185,272,145	1,125,835,834
Trade accounts receivable	4, 6	1,133,391,353	759,703,104
Inventories	7	1,860,600,715	1,014,868,820
Refundable value added tax		49,972,824	10,598,143
Other current assets		26,212,678	19,898,483
<b>Total current assets</b>		<b>4,255,449,715</b>	<b>2,930,904,384</b>
<b>Non-current assets</b>			
Other non-current financial assets	23	51,175,974	701,075,766
Property, plant and equipment	8	2,799,730,460	3,130,819,175
Intangible assets	9	6,163,546	7,474,498
Deferred tax assets	20	30,190,841	28,482,450
Other non-current assets		293,716	302,716
<b>Total non-current assets</b>		<b>2,887,554,537</b>	<b>3,868,154,605</b>
<b>Total assets</b>		<b>7,143,004,252</b>	<b>6,799,058,989</b>

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

## Alucon Public Company Limited

### Statement of financial position

Liabilities and equity	Note	31 December	
		2021	2020
		(in Baht)	
<b>Current liabilities</b>			
Bank overdrafts	23	-	598
Trade accounts payable	4, 10, 23	158,467,337	107,814,719
Contract liabilities	14	26,643,581	15,012,718
Other payables to related parties	4, 23	9,279,454	10,432,609
Other payables to other parties	11, 23	104,849,583	116,363,085
Current income tax payable		73,520,382	66,228,442
Current provisions for employee benefits	12	45,984,082	23,313,389
Other current liabilities		13,652,373	14,709,043
<b>Total current liabilities</b>		<b>432,396,792</b>	<b>353,874,603</b>
<b>Non-current liabilities</b>			
Non-current provisions for employee benefits	12	453,090,529	482,951,553
<b>Total non-current liabilities</b>		<b>453,090,529</b>	<b>482,951,553</b>
<b>Total liabilities</b>		<b>885,487,321</b>	<b>836,826,156</b>
<b>Equity</b>			
Share capital			
Authorised share capital			
(43,200,000 ordinary shares, par value at Baht 10 per share)		432,000,000	432,000,000
Issued and paid-up share capital			
(43,199,986 ordinary shares, par value at Baht 10 per share)		431,999,860	431,999,860
Share premium			
Share premium on ordinary shares	13	254,000,000	254,000,000
Retained earnings			
Appropriated			
Legal reserve	13	43,200,000	43,200,000
Unappropriated		5,528,317,071	5,233,032,973
<b>Total equity</b>		<b>6,257,516,931</b>	<b>5,962,232,833</b>
<b>Total liabilities and equity</b>		<b>7,143,004,252</b>	<b>6,799,058,989</b>

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

# Alucon Public Company Limited

## Statement of comprehensive income

		Year ended 31 December	
	Note	2021	2020
		(in Baht)	
<b>Revenue</b>			
Revenue from sale of goods	4, 14	5,712,602,804	4,928,044,962
Net foreign exchange gain		92,649,877	30,497,866
Other income	15	167,241,259	113,835,126
<b>Total revenue</b>		<b>5,972,493,940</b>	<b>5,072,377,954</b>
<b>Expenses</b>			
Cost of sale of goods	4, 7	4,738,615,194	3,959,603,634
Distribution costs	4, 16	214,080,641	141,724,672
Administrative expenses	4, 17	139,036,030	142,641,000
Finance costs		-	9
<b>Total expenses</b>		<b>5,091,731,865</b>	<b>4,243,969,315</b>
<b>Profit before income tax expense</b>		<b>880,762,075</b>	<b>828,408,639</b>
Tax expense	20	176,543,857	159,405,388
<b>Profit for the year</b>		<b>704,218,218</b>	<b>669,003,251</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Gain on remeasurements of defined benefit plans	12	28,832,175	15,214,047
Income tax relating to items that will not be reclassified	20	(5,766,435)	(3,042,810)
<b>Other comprehensive income</b>			
<b>for the year, net of tax</b>		<b>23,065,740</b>	<b>12,171,237</b>
<b>Total comprehensive income for the year</b>		<b>727,283,958</b>	<b>681,174,488</b>
<b>Basic earnings per share (in Baht)</b>	21	<b>16.30</b>	<b>15.49</b>

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

# Alucon Public Company Limited

## Statement of changes in equity

		Issued and paid-up		Retained earnings		
	Note	share capital	Share premium	Legal reserve	Unappropriated	Total equity
				(in Baht)		
Year ended 31 December 2020						
Balance at 1 January 2020		431,999,860	254,000,000	43,200,000	4,875,858,380	5,605,058,240
Transactions with owners, recorded directly in equity						
Distribution to owners						
Dividends	22	-	-	-	(323,999,895)	(323,999,895)
Total distribution to owners		-	-	-	(323,999,895)	(323,999,895)
Total transactions with owners, recorded directly in equity		-	-	-	(323,999,895)	(323,999,895)
Comprehensive income for the year						
Profit for the year		-	-	-	669,003,251	669,003,251
Other comprehensive income		-	-	-	12,171,237	12,171,237
Total comprehensive income for the year		-	-	-	681,174,488	681,174,488
Balance at 31 December 2020		431,999,860	254,000,000	43,200,000	5,233,032,973	5,962,232,833

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

## Alucon Public Company Limited

## Statement of changes in equity

		Issued and paid-up		Retained earnings		Total
	Note	share capital	Share premium	Legal reserve	Unappropriated	equity
				(in Baht)		
Year ended 31 December 2021						
Balance at 1 January 2021		431,999,860	254,000,000	43,200,000	5,233,032,973	5,962,232,833
Transactions with owners, recorded directly in equity						
Distribution to owners						
Dividends	22	-	-	-	(431,999,860)	(431,999,860)
Total distribution to owners		-	-	-	(431,999,860)	(431,999,860)
Total transactions with owners, recorded directly in equity		-	-	-	(431,999,860)	(431,999,860)
Comprehensive income for the year						
Profit for the year		-	-	-	704,218,218	704,218,218
Other comprehensive income		-	-	-	23,065,740	23,065,740
Total comprehensive income for the year		-	-	-	727,283,958	727,283,958
Balance at 31 December 2021		431,999,860	254,000,000	43,200,000	5,528,317,071	6,257,516,931

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

# Alucon Public Company Limited

## Statement of cash flows

		Year ended 31 December	
	Note	2021	2020
		(in Baht)	
<b>Cash flows from operating activities</b>			
Profit for the year		704,218,218	669,003,251
<i>Adjustments to reconcile profit to cash receipts (payments)</i>			
Tax expense	20	176,543,857	159,405,388
Finance costs		-	9
Depreciation	8	415,001,802	436,986,014
Amortisation	9	1,434,152	1,579,961
Provisions for employee benefits	12	57,137,995	70,089,499
Recognised deferred income		-	(459,694)
Gain on fair value adjustment on unit trust - debt instruments		(465,628)	(1,075,766)
Unrealised (gain) loss on exchange		(699,948)	6,808,853
(Reversal of) losses on inventories devaluation	7	7,095,041	(627,943)
Gain on disposal of plant and equipment		(812,981)	(97,220)
Interest income		(6,964,817)	(3,187,468)
		1,352,487,691	1,338,424,884
<i>Changes in operating assets and liabilities</i>			
Trade accounts receivable		(372,862,941)	125,431,795
Inventories		(852,826,936)	337,864,439
Refundable value added tax		(39,374,681)	19,316,248
Other current assets		(6,381,937)	(774,006)
Other non-current assets		9,000	8,960
Trade accounts payable		50,527,258	(120,158,074)
Contract liabilities		11,630,863	7,888,758
Other payable to related parties		(1,153,155)	1,501,197
Other payable to other parties		10,376,915	(3,786,924)
Other current liabilities		(1,056,670)	1,584,120
Repayment of employee benefits		(35,496,151)	(122,782,704)
<b>Net cash generated from operating</b>		<b>115,879,256</b>	<b>1,584,518,693</b>
Taxes paid		(176,726,744)	(138,375,094)
<b>Net cash from (used in) operating activities</b>		<b>(60,847,488)</b>	<b>1,446,143,599</b>

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



# Alucon Public Company Limited

## Statement of cash flows

		Year ended 31 December	
	Note	2021	2020
		(in Baht)	
<b>Cash flows from investing activities</b>			
Proceeds from sale of unit trust - debt instruments		650,365,420	-
Payment for acquisition of unit trust - debt instruments		-	(700,000,000)
Proceeds from sale of plant and equipment		1,118,224	196,556
Payment for acquisition of property, plant and equipment		(106,136,746)	(182,472,978)
Payment for acquisition of intangible assets		(95,200)	(282,198)
Interest received		7,032,559	2,490,263
<b>Net cash from (used in) investing activities</b>		<b>552,284,257</b>	<b>(880,068,357)</b>
<b>Cash flows from financing activities</b>			
Decrease in bank overdrafts		(598)	(112,147)
Dividends paid to owners of the Company	22	(431,999,860)	(323,999,895)
Interest paid		-	(9)
<b>Net cash used in financing activities</b>		<b>(432,000,458)</b>	<b>(324,112,051)</b>
<b>Net increase in cash and cash equivalents</b>		<b>59,436,311</b>	<b>241,963,191</b>
Cash and cash equivalents at 1 January		1,125,835,834	883,872,643
<b>Cash and cash equivalents at 31 December</b>	5	<b>1,185,272,145</b>	<b>1,125,835,834</b>
<b>Supplemental disclosures of cash flows information:</b>			
1. Cash paid for purchase of property, plant and equipment during the year are detailed as follows:			
Total addition of property, plant and equipment during the year	8	84,218,330	185,504,808
Add: settlement of payables for property, plant and equipment previously purchased		27,368,806	24,336,976
Less: payables on purchase of property, plant and equipment	11	(5,450,390)	(27,368,806)
<b>Net purchases of property, plant and equipment paid by cash</b>		<b>106,136,746</b>	<b>182,472,978</b>
2. Cash paid for purchase of intangible assets during the year are detailed as follows:			
Total addition of intangible assets during the year	9	123,200	-
Less: payables on purchase of intangible assets		(28,000)	-
<b>Net purchases of intangible assets paid by cash</b>		<b>95,200</b>	<b>-</b>

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

## Alucon Public Company Limited

### Notes to the financial statements

For the year ended 31 December 2021

<b>Note</b>	<b>Contents</b>
1	General information
2	Basis of preparation of the financial statements
3	Significant accounting policies
4	Related parties
5	Cash and cash equivalents
6	Trade accounts receivables
7	Inventories
8	Property, plant and equipment
9	Intangible assets
10	Trade accounts payable
11	Other payables to other parties
12	Provisions for employee benefits
13	Share premium and reserves
14	Segment information and disaggregation of revenue
15	Other income
16	Distribution costs
17	Administrative expenses
18	Employee benefit expenses
19	Expenses by nature
20	Income tax
21	Basic earnings per share
22	Dividends
23	Financial instruments
24	Capital management
25	Commitments with non-related parties
26	Event after the reporting period

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 25 February 2022.

## 1 General information

Alucon Public Company Limited, the “Company”, is incorporated in Thailand and was listed on the Stock Exchange of Thailand in November 1989 and converted to a public company in May 1994. The Company’s registered office at 500 Moo 1, Soi Sirikam, Sukhumvit 72 Road, North Samrong, Muang, Samut Prakarn. Another plant at Chonburi is located at 272/5, Moo 3, Bor Win, Sriracha, Chonburi.

The parent company during the financial year was Takeuchi Press Industries Company Limited, incorporated in Japan, which held 71.65% of the paid up share capital.

The principal businesses of the Company are producing and distributing aluminium containers such as Aluminium Collapsible Tubes, Aluminium Monobloc Aerosol Cans, Aluminium Rigid Wall Containers, Aluminium Bottles, Technical Impact Extrusions, Aluminium Slugs (Blanks), Aluminium Coils, Aluminium Pellets, strips, plates, etc.

## 2 Basis of preparation of the financial statements

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions; and applicable rules and regulations of the Thai Securities and Exchange Commission. The financial statements are presented in Thai Baht, which is the Company’s functional currency. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest thousand unless otherwise stated.

The preparation of financial statements in conformity with TFRS requires management to make judgments, estimates and assumptions that affect the application of the Company’s accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

## 3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

### (a) Foreign currencies

Transactions in foreign currencies including non-monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at exchange rate at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate at reporting date.

Foreign currency differences are generally recognised in profit or loss.

**(b) Financial instruments**

*(b.1) Classification and measurement*

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

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

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

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

*(b.2) Derecognition and offset*

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

The difference between the carrying amount extinguished and the consideration paid or paid is recognised in profit or loss.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and the Company intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

*(b.3) Impairment of financial assets other than trade accounts receivables*

The Company recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost.

The Company recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

ECLs are a probability-weighted estimate of credit losses based on forward-looking and historical experience. Credit losses are measured as the present value of all cash shortfalls discounted at the effective interest rate of the financial asset.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due, significant deterioration in financial instruments' credit rating, significant deterioration in the operating results of the debtor and existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Company.

The Company considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Company in full without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

*(b.4) Write-off*

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

*(b.5) Interest*

Interest income and expense is recognised in profit or loss using the effective interest method. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

*(c) Cash and cash equivalents*

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments which has a maturity of three months or less from the date of acquisition. Bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the statement of cash flows.

*(d) Trade and other accounts receivables*

Trade and other accounts receivables are recognised when the Company has an unconditional right to receive consideration. Trade and other accounts receivables are measured at transaction price less allowance for expected credit loss. Bad debts are written off when incurred.

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

**(e) Inventories**

Inventories are measured at the lower of cost and net realisable value. Cost is calculated using the first in first out principle. Cost includes direct cost incurred in acquiring the inventories. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity and is calculated using standard cost adjusted to approximate average cost. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

**(f) Property, plant and equipment**

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses (if any).

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Difference between the proceeds from disposal and the carrying amount of property, plant and equipment are recognised in profit or loss.

*Subsequent costs*

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

*Depreciation*

Depreciation is calculated on a straight-line basis over the estimated useful lives of each component of an asset and recognised in profit or loss. No depreciation is provided on freehold land or assets under construction and installation. The estimated useful lives are as follows:

Land improvement	5 - 30 years
Buildings and building improvement	5 - 40 years
Machinery and equipment	2 - 20 years
Office equipment	3 - 8 years
Vehicles	5 and 10 years
Spare parts	2 - 10 years

**(g) Intangible assets**

Intangible assets are measured at cost less accumulated amortisation and impairment losses (if any). Subsequent expenditure is capitalised only when it will generate the future economic benefits. Amortisation is calculated on a straight-line basis over the estimated useful lives of intangible assets and recognised in profit or loss. The estimated useful lives are as follows:

Software license	10 years
------------------	----------

**(h) Impairment of non-financial assets**

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognised in profit or loss if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

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

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

**(i) Employee benefits**

*Defined contribution plans*

Obligations for contributions to the Company's provident funds are expensed in profit or loss as the related service is provided.

*Defined benefit plans*

The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligations is discounted to present value, which performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in other comprehensive income ("OCI"). The Company determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

*Other long-term employee benefits*

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

*Termination benefits*

Termination benefits are expensed at the earlier of when:

- (1) the Company can no longer withdraw the offer of those benefits or
- (2) when the Company recognises costs for a restructuring.

If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

*Short-term employee benefits*

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**(j) Provisions**

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

**(k) Fair values measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

When measuring the fair values of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.



The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Company measures assets and asset positions at a bid price and liabilities and short positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price, the financial instrument is initially measured at fair value adjusted for the difference between the fair value on initial recognition and the transaction price and the difference is recognised in profit or loss immediately. However, for the fair value categorised as level 3, such difference is deferred and will be recognised in profit or loss on an appropriate basis over the life of the instrument or until the fair value level is transferred or the transaction is closed out.

**(l) Revenue from contracts with customers**

*Revenue recognition*

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

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

*Contract balances*

Contract liabilities are the obligation to transfer goods or services to the customer. The contract liabilities are recognised when the Company receives or has an unconditional right to receive non-refundable consideration from the customer before the Company recognises the related revenue.

**(m) Income tax**

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

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

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Company's expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities, using tax rates enacted or substantively enacted by the reporting date. Current deferred tax assets and liabilities are offset in the financial statements.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

**(n) Earnings per share**

Basic earnings per share (EPS) is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

**4 Related parties**

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

Relationships with related parties that the Company had significant transactions with during the year were as follows:

<b>Name of entities</b>	<b>Country of incorporation</b>	<b>Nature of relationships</b>
Takeuchi Press Industries Company Limited	Japan	Parent Company, 71.65% shareholding
Key management personnel		Persons having authority and responsibility for planning directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Company.

The pricing policies for transactions with related parties are explained further below:

<b>Transactions</b>	<b>Pricing policies</b>
Revenue from sale of goods	The market price or the price based on the memorandum of understanding. The selling price structure with the parent company is based on the actual cost incurred plus gross margin rate including the consideration of size, sale volume, country and transportation
Purchase of raw materials and spare parts	The market price
Purchase of machinery and equipment	The market price
License fee	Percentage of sales amount as determined in an agreement
Commission expenses	Percentage of sales amount as determined in an agreement
Key management personnel compensation	Amount approved by the directors and / or the shareholders

Significant transactions for the years ended 31 December with related parties were as follows:

<i>Year ended 31 December</i>	2021	2020
	<i>(in thousand Baht)</i>	
<b>Parent</b>		
Revenue from sale of goods	1,196,095	1,067,374
Purchase of raw materials and spare parts	16,342	9,486
Purchase of machinery and equipment	-	254
License fee	18,222	16,806
Commission expenses	2,410	2,090
Other expenses	45	18
<b>Key management personnel</b>		
Key management personnel compensation		
Short-term employee benefit	42,061	45,766
Post-employment benefits	1,213	1,313
<b>Total key management personnel compensation</b>	<b>43,274</b>	<b>47,079</b>

Balances as at 31 December with related parties were as follows:

	2021	2020
	<i>(in thousand Baht)</i>	
<b>Trade account receivable</b>		
Parent - Takeuchi Press Industries Company Limited	98,425	60,503
<b>Trade account payable</b>		
Parent - Takeuchi Press Industries Company Limited	-	1,675
<b>Other account payable</b>		
<b>Accrued license fee</b>		
Parent - Takeuchi Press Industries Company Limited	3,787	5,052
<b>Accrued commission payable</b>		
Parent - Takeuchi Press Industries Company Limited	538	707
<b>Accrued management's remuneration and other benefits</b>		
Key management personnel	4,954	4,674
<b>Total other payables to related party</b>	<b>9,279</b>	<b>10,433</b>

### **Significant agreement with related party**

#### **Technical license agreement**

The Company entered into a technical license agreement with Takeuchi Press Industries Company Limited, the parent company. Under the term of the agreement, the parent company agrees to provide technical assistance inclusive technical information and know-how, equipment for manufacturing and rights to sell the products. The Company is committed to pay a license and commission fee as indicated in the agreement. This agreement is valid for 10 years and shall be renewed automatically from year to year unless either party notifies the other party by a written notice at least 6 months prior to the expiration of the agreement.

***Commitments for purchase of raw materials and spare parts***

	2021 (in thousand Baht)	2020
Parent - Takeuchi Press Industries Company Limited	<u>3,644</u>	<u>522</u>

***Significant memorandum of understanding***

On 1 February 2021, the Company entered into a memorandum of understanding with Takeuchi Press Industries Company Limited to supply aluminium slugs in quantity of about 6,500 MT for the production of aluminium monobloc aerosol cans and collapsible tubes for a period from April 2021 to March 2022.

**5 Cash and cash equivalents**

	2021 (in thousand Baht)	2020
Cash on hand	69	47
Cash at banks - current accounts	38,743	22,494
Cash at banks - saving accounts	596,460	603,295
Cash at banks - fixed accounts	550,000	500,000
<b>Total</b>	<b><u>1,185,272</u></b>	<b><u>1,125,836</u></b>

**6 Trade accounts receivables**

<i>At 31 December 2021</i>	<i>Note</i>	2021 (in thousand Baht)	2020
<b>Related party</b>			
Within credit terms	4	<u>98,425</u>	<u>60,503</u>
		<b><u>98,425</u></b>	<b><u>60,503</u></b>
<b>Other parties</b>			
Within credit terms		898,216	571,210
Overdue:			
Less than 3 months		136,729	127,990
6 - 12 months		21	-
		<u>1,034,966</u>	<u>699,200</u>
<b>Total</b>		<b><u>1,133,391</u></b>	<b><u>759,703</u></b>

Information of credit risk is disclosed in note 23 (b.1).

## 7 Inventories

	2021	2020
	<i>(in thousand Baht)</i>	
Finished goods	324,805	230,851
Work in progress	189,229	147,148
Raw materials	831,516	341,130
Spare parts	180,324	192,091
Goods in transit	343,524	105,351
Total	1,869,398	1,016,571
Less allowance for decline in value	(8,797)	(1,702)
<b>Net</b>	<b>1,860,601</b>	<b>1,014,869</b>
Inventories recognised in “cost of sales of goods”:		
- Cost	4,731,520	3,960,232
- (Reversal of) write-down to net realisable value	7,095	(628)
<b>Total</b>	<b>4,738,615</b>	<b>3,959,604</b>

## 8 Property, plant and equipment

	Land and land improvement	Buildings and building improvement	Machinery and equipment	Office equipment (in thousand Baht)	Vehicles	Spare parts	Asstes under construction and installation	Total
<b>Cost</b>								
At 1 January 2020	292,550	1,757,090	7,353,562	19,501	31,677	98,623	62,472	9,615,475
Additions	1,210	2,285	20,988	1,208	1,916	23,119	134,779	185,505
Transfers	-	22,765	134,512	-	-	(25,631)	(131,646)	-
Disposals	-	-	(62,093)	(1,083)	-	-	-	(63,176)
<b>At 31 December 2020 and 1 January 2021</b>	<b>293,760</b>	<b>1,782,140</b>	<b>7,446,969</b>	<b>19,626</b>	<b>33,593</b>	<b>96,111</b>	<b>65,605</b>	<b>9,737,804</b>
Additions	-	-	7,587	92	-	18,802	57,737	84,218
Transfers	-	13,678	110,437	-	-	(27,523)	(96,592)	-
Disposals	-	(677)	(46,354)	-	(3,807)	-	-	(50,838)
<b>At 31 December 2021</b>	<b>293,760</b>	<b>1,795,141</b>	<b>7,518,639</b>	<b>19,718</b>	<b>29,786</b>	<b>87,390</b>	<b>26,750</b>	<b>9,771,184</b>
<b>Depreciation</b>								
At 1 January 2020	37,064	897,362	5,259,018	16,526	23,105	-	-	6,233,075
Depreciation charge for the year	7,430	60,133	364,117	1,476	3,830	-	-	436,986
Disposals	-	-	(61,993)	(1,083)	-	-	-	(63,076)
<b>At 31 December 2020 and 1 January 2021</b>	<b>44,494</b>	<b>957,495</b>	<b>5,561,142</b>	<b>16,919</b>	<b>26,935</b>	<b>-</b>	<b>-</b>	<b>6,606,985</b>
Depreciation charge for the year	6,471	60,108	344,298	1,225	2,900	-	-	415,002
Disposals	-	(634)	(46,093)	-	(3,806)	-	-	(50,533)
<b>At 31 December 2021</b>	<b>50,965</b>	<b>1,016,969</b>	<b>5,859,347</b>	<b>18,144</b>	<b>26,029</b>	<b>-</b>	<b>-</b>	<b>6,971,454</b>
<b>Net book value</b>								
At 1 January 2020	255,486	859,728	2,094,544	2,975	8,572	98,623	62,472	3,382,400
At 31 December 2020 and 1 January 2021	249,266	824,645	1,885,827	2,707	6,658	96,111	65,605	3,130,819
At 31 December 2021	242,795	778,172	1,659,292	1,574	3,757	87,390	26,750	2,799,730

The gross amount of the Company's fully depreciated plant and equipment that was still in use as at 31 December 2021 amounted to Baht 2,652 million (2020: Baht 2,548 million).

## 9 Intangible assets

	Software licence (in thousand Baht)
<b>Cost</b>	
At 1 January 2020	30,547
Additions	286
Disposals	(60)
<b>At 31 December 2020 and 1 January 2021</b>	<b>30,773</b>
Additions	124
<b>At 31 December 2021</b>	<b>30,897</b>
<b>Amortisation</b>	
At 1 January 2020	21,775
Amortisation charge for the year	1,580
Disposals	(56)
<b>At 31 December 2020 and 1 January 2021</b>	<b>23,299</b>
Amortisation charge for the year	1,434
<b>At 31 December 2021</b>	<b>24,733</b>
<b>Net book value</b>	
<b>At 1 January 2020</b>	<b>8,772</b>
<b>At 31 December 2020 and 1 January 2021</b>	<b>7,474</b>
<b>At 31 December 2021</b>	<b>6,164</b>

## 10 Trade accounts payable

	Note	2021 (in thousand Baht)	2020
Related party	4	-	1,675
Other parties		158,467	106,140
<b>Total</b>		<b>158,467</b>	<b>107,815</b>

## 11 Other payables to other parties

	2021 (in thousand Baht)	2020
Accrued operating expenses	44,291	38,248
Factory supplies and spare parts payables	14,228	9,968
Payables on purchase of property, plant and equipment	5,450	27,369
Others	40,881	40,778
<b>Total</b>	<b>104,850</b>	<b>116,363</b>

## 12 Provisions for employee benefits

	2021	2020
	<i>(in thousand Baht)</i>	
<b>Statement of financial position</b>		
<b>Provisions for :</b>		
Post-employment benefits	374,027	393,903
Other long-term employee benefits	50,625	44,244
	<b>424,652</b>	<b>438,147</b>
Provident fund	74,423	68,118
<b>Total</b>	<b>499,075</b>	<b>506,265</b>
<b>Statement of comprehensive income</b>		
<b>Recognised in profit or loss:</b>		
Post-employment benefits	34,711	54,035
Other long-term employee benefits	11,175	11,115
Provident fund	11,252	4,939
	<b>57,138</b>	<b>70,089</b>
<b>Recognised in other comprehensive income:</b>		
Actuarial gain recognised in the year	(28,832)	(15,214)

### *Defined benefit plans*

The Company operate a defined benefit plan based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service. The defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

<i>Present value of the defined benefit obligations</i>	2021	2020
	<i>(in thousand Baht)</i>	
At 1 January	438,147	492,757
<b>Include in profit or loss:</b>		
Current service cost	38,156	42,192
Past service cost	(1,208)	10,752
Interest on obligation	5,167	7,639
Gain on settlement	3,771	4,567
	<b>45,886</b>	<b>65,150</b>
<b>Included in other comprehensive income</b>		
Actuarial (gain) loss		
- Demographic assumptions	1,863	-
- Financial assumptions	(21,065)	(10,261)
- Experience adjustment	(9,630)	(4,953)
	<b>(28,832)</b>	<b>(15,214)</b>
Benefit paid	(30,549)	(104,546)
<b>At 31 December</b>	<b>424,652</b>	<b>438,147</b>



<i>Principal actuarial assumptions</i>	2021	2020
	(%)	
Discount rate	1.66	1.22
Future salary growth	3.50	2.10 - 4.50

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

At 31 December 2021, the weighted-average duration of the defined benefit obligation was 8.59 years (2020: 8.97 years).

### *Sensitivity analysis*

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

<i>Effect to the defined benefit obligation</i>	1 year/1% increase in assumption		1 year/1% decrease in assumption	
<i>At 31 December</i>	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Discount rate	(25,566)	(28,070)	28,820	31,649
Future salary growth	25,402	28,245	(23,017)	(25,588)
Employee turnover	(11,225)	(12,775)	8,919	9,973
Life expectancy (year)	375	451	(374)	(449)

### *Defined contribution plans*

The Company has established a contributory provident fund for its employees. Membership to the fund is on a voluntary basis. The Company contributes 50% of the amount paid in by each employee who has been a member of the provident fund scheme for five years and an additional 10% of the balance on the employee's provident fund in each subsequent year.

## **13 Share premium and reserves**

### *Share premium*

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

### *Legal reserve*

Section 116 of the Public Companies Act B.E. 2535 requires that a company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

## 14 Segment information and disaggregation of revenue

Segment results that are reported to the Company's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly other assets, other liabilities and employee benefit obligations.

The Company has two reportable segments, as described below, which are the Company's strategic divisions. The strategic divisions offer different products are managed separately because they require different technology and marketing strategies. For each of the strategic divisions, the chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis. The Company's main revenue is derived from contracts with customers and recognised at a point of time. The following summary describes the operations in each of the Company's reportable segments.

<i>Segment 1</i>	Can and tube
<i>Segment 2</i>	Slug

The Company did not have single external customers who contributed 10% or more than of the Company's total revenues.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Company's CODM. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

### Information about reportable segments

	Segment 1		Segment 2		Total	
	2021	2020	2021	2020	2021	2020
	<i>(in thousand Baht)</i>					
Revenue from sale of goods	3,092,876	2,842,588	2,619,727	2,085,457	5,712,603	4,928,045
<b>Segment result</b>	<b>674,814</b>	<b>645,293</b>	<b>299,174</b>	<b>323,148</b>	<b>973,988</b>	<b>968,441</b>
<b>Profit before income tax</b>	<b>669,146</b>	<b>527,986</b>	<b>211,616</b>	<b>300,423</b>	<b>880,762</b>	<b>828,409</b>
<b>Segment assets</b>						
Trade accounts receivable	585,180	457,813	548,211	301,890	1,133,391	759,703
Inventories	339,344	325,119	1,521,257	689,750	1,860,601	1,014,869
Property, plant and equipment	2,224,652	2,470,599	575,078	660,220	2,799,730	3,130,819
Unallocated assets					1,349,282	1,893,668
<b>Total assets</b>					<b>7,143,004</b>	<b>6,799,059</b>
<b>Segment liabilities</b>						
Trade accounts payable	93,151	89,370	65,316	18,445	158,467	107,815
Unallocated liabilities					727,020	729,011
<b>Total liabilities</b>					<b>885,487</b>	<b>836,826</b>
<b>Other material items</b>						
Depreciation and amortisation	314,005	326,565	102,431	112,001	416,436	438,566
Capital expenditure	67,092	147,143	17,250	38,648	84,342	185,791

### Geographical information

In presenting geographical information, revenue is based on the geographical location of customers. Assets are based on the geographical location of the assets.

	Revenues		Non-current assets	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Asia pacific	3,614,716	2,863,709	-	-
Thailand	1,439,643	1,377,227	2,887,555	3,868,155
United states of America	427,780	469,508	-	-
Others	230,464	217,601	-	-
<b>Total</b>	<b>5,712,603</b>	<b>4,928,045</b>	<b>2,887,555</b>	<b>3,868,155</b>

**Promotional privileges**

The Company has been granted promotional certificates by the Office of the Board of Investment for aluminium containers production. The Company has been granted several privileges including exemption and/or reduction from payment of income tax on the net profit derived from promoted operations with certain terms and conditions prescribed in the promotional certificates.

<i>Year ended 31 December</i>	Promoted businesses	2021 Non-promoted businesses	Total
		(in million Baht)	
Export sales	272,477	4,112,747	4,385,224
Local sales	459,783	867,596	1,327,379
<b>Total</b>	<b>732,260</b>	<b>4,980,343</b>	<b>5,712,603</b>

**Contract Balances**

	31 December	
	2021	2020
	(in thousand Baht)	
Trade accounts receivable	1,133,391	759,703
Contract liabilities - current	26,644	15,013

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.

**15 Other income**

	2021	2020
	(in thousand Baht)	
Sale of scrap	149,923	100,263
Others	17,318	13,572
<b>Total</b>	<b>167,241</b>	<b>113,835</b>

**16 Distribution costs**

	2021	2020
	(in thousand Baht)	
Freight expenses	147,721	77,744
Employee benefit expenses	34,790	33,590
Others	31,570	30,391
<b>Total</b>	<b>214,081</b>	<b>141,725</b>

## 17 Administrative expenses

	2021 (in thousand Baht)	2020
Employee benefit expenses	108,576	116,950
Depreciation and amortisation	7,890	7,442
Transportation expenses	5,175	5,311
Repair and maintenance	1,656	1,953
Others	15,739	10,985
<b>Total</b>	<b>139,036</b>	<b>142,641</b>

## 18 Employee benefit expenses

	Note	2021 (in thousand Baht)	2020
Wages and salaries		630,917	644,684
Defined benefit plans	12	45,886	65,150
Defined contribution plans	12	11,252	4,939
Director's remuneration		5,941	5,616
Provident fund		4,568	1,555
Others		35,748	36,091
<b>Total</b>		<b>734,312</b>	<b>758,035</b>

## 19 Expenses by nature

The statements of income include an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirements of various TFRS were as follows:

	2021 (in thousand Baht)	2020
<b><i>Included in cost of sale of goods:</i></b>		
Changes in inventories of finished goods and work in progress	(136,035)	(91,465)
Raw materials and consumables used	3,226,204	2,380,108
Employee benefit expenses	590,947	607,495
Depreciation and amortisation	407,753	430,053
Utilities expenses	317,235	281,551
<b><i>Included in distribution costs:</i></b>		
Freight expenses	147,721	77,744
Employee benefit expenses	34,790	33,590
Depreciation and amortisation	793	1,071
<b><i>Included in administrative expenses:</i></b>		
Employee benefit expenses	108,576	116,950
Depreciation and amortisation	7,890	7,442

## 20 Income tax

### *Income tax recognised in profit or loss*

	2021 (in thousand Baht)	2020
<b><i>Current tax expense</i></b>		
Current year	171,419	148,044
Adjustment for prior year	12,600	-
	<b>184,019</b>	<b>148,044</b>
<b><i>Deferred tax expense</i></b>		
Movements in temporary differences	(7,475)	11,361
<b>Total</b>	<b>176,544</b>	<b>159,405</b>

### *Income tax recognised in other comprehensive income*

	Before tax	2021 Tax expense	Net of tax (in thousand Baht)	Before tax	2020 Tax expense	Net of tax
Defined benefit plan actuarial gain	28,832	(5,766)	23,066	15,214	(3,043)	12,171
<b>Total</b>	<b>28,832</b>	<b>(5,766)</b>	<b>23,066</b>	<b>15,214</b>	<b>(3,043)</b>	<b>12,171</b>

### *Reconciliation of effective tax rate*

	Rate (%)	2021 (in thousand Baht)	Rate (%)	2020 (in thousand Baht)
Profit before income tax		<b>880,762</b>		<b>828,409</b>
Income tax using the Thai corporation tax rate	20	176,152	20	165,682
Corporate income tax exemption		(11,770)		-
Tax effect of income and expenses that are not taxable income or tax expenses, net		(438)		(6,277)
Under provided in prior year		12,600		-
<b>Total</b>	<b>20</b>	<b>176,544</b>	<b>19</b>	<b>159,405</b>

### *Deferred tax*

Deferred tax assets and liability as at 31 December were as follows:

	2021 (in thousand Baht)	2020
Deferred tax assets	97,422	97,210
Deferred tax liability	(67,231)	(68,728)
<b>Net</b>	<b>30,191</b>	<b>28,482</b>

Movements in total deferred tax assets and liability during the year were as follows:

	At 1 January 2021	(Charged) / Credited to :		At 31 December 2021
		Profit or loss (in thousand Baht)	Other comprehensive income	
<b>Deferred tax assets</b>				
Inventories (allowance for decline in value)	340	1,419	-	1,759
Employee benefit obligations	96,870	4,395	(5,766)	95,499
Financial assets measured at FVTPL	-	164	-	164
<b>Total</b>	<b>97,210</b>	<b>5,978</b>	<b>(5,766)</b>	<b>97,422</b>
<b>Deferred tax liability</b>				
Property, plant and equipment (depreciation gap)	(68,512)	1,281	-	(67,231)
Financial assets measured at FVTPL	(216)	216	-	-
<b>Total</b>	<b>(68,728)</b>	<b>1,497</b>	<b>-</b>	<b>(67,231)</b>
<b>Net</b>	<b>28,482</b>	<b>7,475</b>	<b>(5,766)</b>	<b>30,191</b>
	At 1 January 2020	(Charged) / Credited to :		At 31 December 2020
		Profit or loss (in thousand Baht)	Other comprehensive income	
<b>Deferred tax assets</b>				
Inventories (allowance for decline in value)	466	(126)	-	340
Employee benefit obligations	109,314	(9,401)	(3,043)	96,870
Deferred income	92	(92)	-	-
<b>Total</b>	<b>109,872</b>	<b>(9,619)</b>	<b>(3,043)</b>	<b>97,210</b>
<b>Deferred tax liability</b>				
Property, plant and equipment (depreciation gap)	(66,986)	(1,526)	-	(68,512)
Financial assets measured at FVTPL	-	(216)	-	(216)
<b>Total</b>	<b>(66,986)</b>	<b>(1,742)</b>	<b>-</b>	<b>(68,728)</b>
<b>Net</b>	<b>42,886</b>	<b>(11,361)</b>	<b>(3,043)</b>	<b>28,482</b>

## 21 Basic earnings per share

The calculations of basic earnings per share for the years ended 31 December 2021 and 2020 were based on the profit for the years attributable to shareholders of the Company and the number of ordinary shares outstanding during the years as follows:

	2021 (in thousand Baht / thousand shares)	2020 (in thousand Baht / thousand shares)
<b>Profit attributable to ordinary shareholders for the year ended 31 December</b>		
<b>Profit attributable to ordinary shareholders of the Company</b>	<b>704,218</b>	<b>669,003</b>
<b>Number of ordinary shares outstanding</b>	<b>43,200</b>	<b>43,200</b>
<b>Basic earnings per share (in Baht)</b>	<b>16.30</b>	<b>15.49</b>

## 22 Dividends

The shareholders of the Company have approved dividends as follows:

	Approval date	Payment schedule	Dividend rate per share (Baht)	Amount (in million Baht)
<b>2021</b>				
Annual dividend	20 April 2021	May 2021	10	432
<b>2020</b>				
Interim dividend	7 April 2020	May 2020	7.50	324

## 23 Financial instruments

### (a) Carrying amounts and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

	Carrying amount Financial instruments measured at FVTPL	Fair value			Total
		Level 1 (in thousand Baht)	Level 2	Level 3	
<b>At 31 December 2021</b>					
<b>Financial asset</b>					
Unit trust - debt instruments	51,176	-	51,176	-	51,176
<b>At 31 December 2020</b>					
<b>Financial asset</b>					
Unit trust - debt instruments	701,076	-	701,076	-	701,076



**Financial instruments measured at fair value - level 2**

Type	Valuation technique
Investments in marketable unit trusts classified as financial assets measured at FVTPL	The net asset value as of the reporting date.

**(b) Financial risk management policies**

***Risk management framework***

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

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Company audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

***(b.1) Credit risk***

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

***(b.1.1) Trade accounts receivables***

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate. Detail of concentration of revenue are included in note 14.

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's commercial terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references. Sale limits are established for each customer and reviewed regularly. Any sales exceeding those limits require approval from the risk management committee.

The Company limits its exposure to credit risk from trade accounts receivables by establishing a maximum payment period of 90 day. Outstanding trade receivables are regularly monitored by the Company. An impairment analysis is performed by the Company at each reporting date. The provision rates of expected credit loss are based on days past due for individual trade receivables to reflect differences between economic conditions in the past, current conditions and the Company's view of economic conditions over the expected lives of the receivables.

Information relevant to trade accounts receivables are disclosed in note 4 and 6, respectively.

(b.1.2) Cash and cash equivalent

The Company's exposure to credit risk arising from cash and cash equivalents is limited because the counterparties are banks and financial institutions which the Company considers to have low credit risk.

(b.2) Liquidity risk

The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

The following table are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

<i>At 31 December</i>	Carrying amount	Contractual cash flows			Total
		Within 1 year or less	More than 1 year but less than 5 years	More than 5 years	
		<i>(in thousand Baht)</i>			
<i>2021</i>					
<i>Non-derivative financial liabilities</i>					
Trade accounts payables	158,467	158,467	-	-	158,467
Other payables to related parties	9,279	9,279	-	-	9,279
Other payables to other parties	104,850	104,850	-	-	104,850
<b>Total</b>	<b>272,596</b>	<b>272,596</b>	<b>-</b>	<b>-</b>	<b>272,596</b>
<i>2020</i>					
<i>Non-derivative financial liabilities</i>					
Bank overdrafts	1	1	-	-	1
Trade accounts payables	107,815	107,815	-	-	107,815
Other payables to related parties	10,433	10,433	-	-	10,433
Other payables to other parties	116,363	116,363	-	-	116,363
<b>Total</b>	<b>234,612</b>	<b>234,612</b>	<b>-</b>	<b>-</b>	<b>234,612</b>

As at 31 December 2021, the Company had unutilised credit facilities from financial institutions of approximately Baht 2,008 million (2020: Baht 2,007 million).

### (b.3) Market risk

The Company is exposed to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is as follows:

#### (b.3.1) Foreign currency risk

The Company is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies. Most receipts in foreign currencies are credited into foreign currency accounts such as US Dollar, Japanese YEN, etc. with banks in Thailand. The Company foregoes interest earnings on such foreign currency accounts. Foreign currencies obtained from exports are used for payment of raw material purchased, spare parts and machinery and equipment imported, thus the Company saves foreign currency conversion charges.

At 31 December, the Company was exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:

	2021	2020
	(in thousand Baht)	
<b>United States Dollars (USD)</b>		
Cash and cash equivalents	2,067	408,444
Trade accounts receivable	630,008	351,918
Trade accounts payable	(52,277)	(4,391)
	<u>579,798</u>	<u>755,971</u>
<b>Japanese Yen (YEN)</b>		
Cash and cash equivalents	61,427	27,363
Trade accounts receivable	98,425	60,503
Trade accounts payable	-	(4,855)
	<u>159,852</u>	<u>83,011</u>
<b>Australian Dollar (AUD)</b>		
Trade accounts receivable	10,525	8,722
	<u>10,525</u>	<u>8,722</u>
<b>Others (HKD, EUR, CHF and GBP)</b>		
Trade accounts receivable	314	529
Trade accounts payable	(5,554)	(2,810)
	<u>(5,240)</u>	<u>(2,281)</u>
<b>Gross statement of financial position exposure</b>	<u><b>744,935</b></u>	<u><b>845,423</b></u>

### Sensitivity analysis

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

<i><b>Impact to profit or loss</b></i>	<i><b>Movement (%)</b></i>	<i><b>Strengthening (in thousand Baht)</b></i>	<i><b>Weakening</b></i>
<i><b>At 31 December 2021</b></i>			
USD	1	5,799	(5,799)
YEN	1	1,599	(1,599)
<i><b>At 31 December 2020</b></i>			
USD	1	7,474	(7,474)

#### (b.3.2) Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Company's operations and its cash flows because financial assets and financial liabilities interest rates are mainly fixed. So, the Company has low interest rate risk. The sensitivity impact to the increase or decrease in interest expenses, as a result of changes in interest rates is immaterial on financial statements of the Company.

#### ***Exposure to interest rate risk at 31 December***

<i>at 31 December</i>	2021	2020
	<i>(in thousand Baht)</i>	
<i>Financial instruments with fixed interest rates</i>		
Financial assets	1,185,272	1,125,836
Financial liabilities	-	(1)
	<u>1,185,272</u>	<u>1,125,835</u>

## 24 Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board regular monitors the return on capital, by evaluating result from operating activities divided by total shareholders' equity and also monitors the level of dividends to ordinary shareholders.

## 25 Commitments with non-related parties

	2021	2020
	(in thousand Baht)	
<b>Capital commitments</b>		
Contracted but not provided for:		
Factory, machinery and equipment	<u>9,432</u>	<u>41,628</u>
<b>Other commitments</b>		
Purchase orders accepted by suppliers		
- Within one year	3,779,220	1,941,844
Bank guarantees	<u>22,500</u>	<u>24,082</u>
<b>Total</b>	<u>3,801,720</u>	<u>1,965,926</u>

*Bank guarantee*

As at 31 December 2021, 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 totaling Baht 23 million (2020: Baht 24 million).

*Purchase orders accepted by suppliers*

As at 31 December 2021, the Company had purchase orders accepted by suppliers for purchase of aluminium ingot in total quantity of 40,100 MT (2020: 32,500 MT), at the price as determined in purchase orders (2020: at the price as determined in purchase orders) that will be delivered during 2021 to 2022 (2020: during 2020 to 2021).

## **26 Events after the reporting period**

At the Board of Directors' meeting of the Company held on 25 February 2022, the Company's Board of Directors approved to purpose to the annual general meeting of shareholders of the Company for approval to appropriation of cash dividends of Baht 10 per share, amounting to Baht 432 million. The appropriation of dividend must be approved by shareholders's meeting of the Company.

บริษัท อลูคอน จำกัด (มหาชน)  
แบบยืนยันความถูกต้องครบถ้วนของค่าตอบแทนที่จ่ายให้แก่ผู้สอบบัญชี  
รอบปีบัญชีสิ้นสุดวันที่ 31 ธันวาคม 2564

ค่าตอบแทนจากการสอบบัญชี (audit fee)

รายการที่	ชื่อบริษัทผู้จ่าย	ชื่อผู้สอบบัญชี	ค่าสอบบัญชี (บาท)
1	บริษัท อลูคอน จำกัด (มหาชน)	บริษัท เคพีเอ็มจี ภูมิภาค ไทย สอบบัญชี จำกัด	1,190,000
รวมค่าตอบแทนจากการสอบบัญชี			1,190,000

ค่าบริการอื่น (non-audit fee)

รายการที่	ชื่อบริษัทผู้จ่าย	ประเภทของงาน บริการอื่น (non-audit service)	ชื่อผู้สอบบัญชี	ค่าตอบแทนของงานบริการอื่น	
				ส่วนที่จ่ายไปใน ระหว่างปีบัญชี	ส่วนที่จะต้อง จ่ายในอนาคต
1	บริษัท อลูคอน จำกัด (มหาชน)	การให้คำปรึกษาเรื่อง การจัดเตรียมเอกสาร ราคาโอน	บริษัท สำนักภาษี เคพีเอ็มจี ภูมิภาค ไทย จำกัด	210,000	-
2	บริษัท อลูคอน จำกัด (มหาชน)	ค่าธรรมเนียมที่ ปรึกษาทางด้านภาษี	บริษัท สำนักภาษี เคพีเอ็มจี ภูมิภาค ไทย จำกัด	140,000	-
3	บริษัท อลูคอน จำกัด (มหาชน)	ค่าธรรมเนียมตาม วิธีการที่ตกลงร่วมกัน เพื่อตรวจสอบการ ปฏิบัติตามเงื่อนไขของ บัตรส่งเสริมการลงทุน	บริษัท เคพีเอ็มจี ภูมิภาค ไทย สอบบัญชี จำกัด	100,000	-
รวมค่าตอบแทนสำหรับงานบริการอื่น (non-audit fee)				450,000	-

### ข้อมูลข้างต้น

☒ ถูกต้องครบถ้วนแล้ว ทั้งนี้ ข้าพเจ้าขอยืนยันว่าไม่มีข้อมูลการให้บริการอื่นที่บริษัทฯและบริษัทย่อยจ่ายให้ข้าพเจ้า สำนักงานสอบบัญชีที่ข้าพเจ้าสังกัด และบุคคลหรือกิจการที่เกี่ยวข้องกับข้าพเจ้าและสำนักงานสอบบัญชีที่ข้าพเจ้าสังกัดที่ข้าพเจ้าทราบและไม่มีการเปิดเผยไว้ข้างต้น

☐ ไม่ถูกต้อง ไม่ครบถ้วน กล่าวคือ .....

เมื่อปรับปรุงข้อมูลข้างต้น (ถ้ามี) แล้ว ข้าพเจ้าขอยืนยันว่า ข้อมูลทั้งหมดในแบบฟอร์มนี้แสดงคำตอบแทนสอบบัญชีและค่าบริการอื่นที่บริษัทฯและบริษัทย่อยจ่ายให้ข้าพเจ้า สำนักงานสอบบัญชีที่ข้าพเจ้าสังกัดและบุคคลหรือกิจการที่เกี่ยวข้องกับข้าพเจ้าและสำนักงานสอบบัญชีดังกล่าวที่ถูกต้องครบถ้วน

ลงชื่อ  .....

(นางปิยธิดา ตั้งเด่นชัย)

สังกัด บริษัท เคพีเอ็มจี ภูมิไชย สอบบัญชี จำกัด

ผู้สอบบัญชีของบริษัท บริษัท อลูคอน จำกัด (มหาชน)

Section

4

# Certification of Information Accuracy


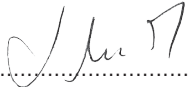


## 4. Certification of Information Accuracy

The Company has reviewed the information on this annual registration statement /annual report with care and hereby certifies that the information is accurate, complete, not false or misleading, and does not lack material information that should be notified. In addition, the Company certifies that:

1. The financial statements and financial information summarized in this annual registration statement /annual report show material information accurately and completely regarding the financial condition, the operating results and the cash flows of the Company.
2. The Company has provided an efficient disclosure system to ensure that the material information of the Company is disclosed accurately and completely, and has supervised compliance with such disclosure system.
3. The Company has provided an efficient internal control system, supervised compliance with the system, and submitted the information on the internal control assessment on the latest date available to the auditor and the Audit Committee, which covers deficiencies, significant changes to the internal control system, and wrongful acts that may affect the preparation of financial report of the Company.

In this regard, as proof that all the documents are identical to those certified by the Company, the Company has authorized Mr. Pitipong Archamongkol to sign on every page of the documents, and the absence of the authorized signature of Mr. Pitipong Archamongkol on any document shall be deemed that such unsigned document has not been certified by the Company.

Name	Position	Signature
1. Mr. Takaaki Takeuchi	Director/Managing Director	 .....
2. Ms. Salinee Mahtani	Director/Assistant Managing Director	 .....

Name	Position	Signature
<i>Authorized person:</i>		
Mr. Pitipong Archamongkol	Company Secretary/Legal Manager	 .....



# APPENDIX

# APPENDIX 1

Details of Directors, Executives, Controlling Person,  
The highest responsibility in accounting and finance,  
The person who directly responsible for accounting supervision  
and Company Secretary

## Detail of Directors, Executives and Controlling Person

The Company has 11 directors as detailed below:

### 1. Mr. Somchai Aungsananta (68)

Position	:	Independent Director and Chairman of Board of Directors
Education	:	- MBA – West Texas State University, USA - Bachelor degree of Arts, Thammasat University
Training by Thai Institute of Directors Association (IOD)	:	None
Relationship with Director & Executive	:	None
Company's securities holding as at 31 <sup>st</sup> December 2021	:	87,750 shares = 0.20 % (no change) (Spouse holds 600 shares = 0.0001% & no minor children)
Work Experience	:	1996 – present      Director Podium Home Center Co., Ltd.
Current position in other organization		
- in listed companies	:	None
- in non-listed companies	:	1 company : Director - Podium Home Center Co., Ltd.
- in other organization	:	No position of director, executive or consultant in any organization such as association or foundation.
- in other organization that may cause any conflict of interest to Company	:	No position of director or executive in such organization
Numbers of meeting attendances	:	4/4 times
Year in Position / start from	:	32 years / 27 <sup>th</sup> May 1990
Conflict of Interest	:	- Not being a director who get the monthly benefit from the Company - Not being any kind of service professional to the Company - Not having any relationship with any business linking to the Company which influent to the decision making independently.
Records on Securities and Derivatives	:	None
Illegal		

## 2. Mr. Takaaki Takeuchi (62)

Position	:	Director and Managing Director (Authorized Director)
Education	:	Master of Science in Packaging, Michigan State University, USA.
Training by Thai Institute of Directors Association (IOD)	:	None
Relationship with Director & Executive	:	Ms. Kasumi Takeuchi – Niece
Company's securities holding as at 31 <sup>st</sup> December 2021	:	90,000 shares = 0.21% (no change) (Spouse and minor children – no share)
Work Experience	:	1995 – present      Managing Director Alucon Public Company Limited
Current position in other organization		
- in listed companies	:	None
- in non-listed companies	:	None
- in other organization	:	No position of director, executive or consultant in any organization such as association or foundation.
- in other organization that may cause any conflict of interest to Company	:	1 company : Director – Takeuchi Press Industries Co., Ltd.
Numbers of meeting attendances	:	4/4 times
Year in Position / start from	:	27 years / 9 <sup>th</sup> May 1995
Conflict of Interest	:	- Being a director who get the monthly benefit from the Company - Not being any kind of service professional to the Company - Having any relationship with any business linking to the Company which influent to the decision making independently.
Records on Securities and Derivatives	:	None
Illegal		

### 3. Ms. Salinee Mahtani (56)

Position	:	Director, Assistant Managing Director (Authorized Director), Risk Management Committee
Education	:	Master Degree in International Business – KOBE University, Japan
Training by Thai Institute of Directors Association (IOD)	:	- Directors Accreditation Program (DAP) – in year 2003 - Understanding the Fundamental of Financial Statement – in year 2006
Relationship with Director & Executive	:	None
Company’s securities holding as at 31 <sup>st</sup> December 2021	:	245,000 shares = 0.56% (no change) (Spouse – no share & no minor children)
Work Experience	:	2016 – Present      Director – Assistant Managing Director Alucon Public Company Limited  1998 – 2016        Director – General Manager Alucon Public Company Limited
Current position in other organization		
- in listed companies	:	None
- in non-listed companies	:	None
- in other organization	:	No position of director, executive or consultant in any organization such as association or foundation.
- in other organization that may cause any conflict of interest to Company	:	No position of director or executive in such organization.
Numbers of meeting attendances	:	4/4 times
Year in Position / start from	:	24 years / 30 <sup>th</sup> April 1998
Conflict of Interest	:	- Being a director who get the monthly benefit from the Company - Not being any kind of service professional to the Company - Not having any relationship with any business linking to the Company which influent to the decision making independently.
Records on Securities and Derivatives	:	None
Illegal		

#### 4. Mr. Subpachai Lovanit (80)

Position	:	Director, Plant Manager
Education	:	Vocational Certificate obtained scholarship from German Government to study engineering in Berlin for 2 years
Training by Thai Institute of Directors Association (IOD)	:	- Directors Accreditation Program (DAP) – in year 2003 - Understanding the Fundamental of Financial Statements in year 2006
Relationship with Director & Executive	:	None
Company's securities holding as at 31 <sup>st</sup> December 2021	:	59,400 shares = 0.13% (no change) (Spouse – no share & no minor children)
Work Experience	:	1998 – Present      Director - Plant Manager Alucon Public Company Limited
Current position in other organization		
- in listed companies	:	None
- in non-listed companies	:	None
- in other organization	:	3 organizations are as follows: 1. Vice President – Ferrous and Non-Ferrous Employers' Association 2. Director – Employers' Confederation of Thai Trade and Industries 3. Director – The Federation of Industries, Samutprakarn Province
- in other organization that may cause any conflict of interest to Company	:	No position of director or executive in such organization.
Numbers of meeting attendances	:	4/4 times
Year in Position / start from	:	24 years / 30 <sup>th</sup> April 1998
Conflict of Interest	:	- Being a director who get the monthly benefit from the Company - Not being any kind of service professional to the Company - Not having any relationship with any business linking to the Company which influent to the decision making independently.
Records on Securities and Derivatives	:	None
Illegal		

## 5. Mr. Maksimiljan Pristovsek (69)

Position	:	Director, Senior Technical Plant Manager (Slugs)
Education	:	University Diploma – Engineer of Metallurgy, University of Ljubjana, Republic of Slovenia
Training by Thai Institute of Directors Association (IOD)	:	None
Relationship with Director & Executive	:	None
Company's securities holding as at 31 <sup>st</sup> December 2021	:	44,100 shares = 0.11% (no change) (Spouse – no share & no minor children)
Work Experience	:	2018 – Present      Senior Technical Plant Manager (Slugs) Alucon Public Company Limited 1990 – 2018      Technical Plant Manager (Slugs) Alucon Public Company Limited
Current position in other organization		
- in listed companies	:	None
- in non-listed companies	:	None
- in other organization	:	No position of director, executive or consultant in any organization such as association or foundation.
- in other organization that may cause any conflict of interest to Company	:	No position of director or executive in such organization.
Numbers of meeting attendances	:	4/4 times
Year in Position / start from	:	1 year / 20 <sup>th</sup> April 2021
Conflict of Interest	:	- Being a director who get the monthly benefit from the Company - Not being any kind of service professional to the Company - Not having any relationship with any business linking to the Company which influent to the decision making independently.
Records on Securities and Derivatives	:	None
Illegal		

## 6. Ms. Vrinporn Uer-anant (72)

Position	:	Independent Director and Audit Committee - Chairperson
Education	:	<ul style="list-style-type: none"> <li>- MBA, Utah State University, USA</li> <li>- BBA, Faculty of Accounting, Chulalongkorn University</li> <li>- Certified Master Practitioner and Master Therapeutic Coach of NLP, approved by American Board of NLP and NLP University</li> </ul>
Training by Thai Institute of Directors Association (IOD)	:	<ul style="list-style-type: none"> <li>- Directors Accreditation Program (DAP) – in year 2004</li> <li>- Finance for Non-Finance Director in year 2007</li> </ul>
Relationship with Director & Executive	:	Brother – Mr. Vibool Uer-anant
Company's securities holding as at 31 <sup>st</sup> December 2021	:	154,300 shares = 0.36% (no change) (No spouse and minor children)
Work Experience	:	2013 – present      Consultant – Quality Management System 2006 – 2013          Lecturer, School of Management and Economic, Assumption University (ABAC)
Current position in other organization		
- in listed companies	:	None
- in non-listed companies	:	2 companies : Director – Thai Farmer Properties Co., Ltd. Director – Moon Light Bay Co., Ltd.
- in other organization	:	No position of director, executive or consultant in any organization such as association or foundation.
- in other organization that may cause any conflict of interest to Company	:	No position of director or executive in such organization.
Numbers of meeting attendances	:	4/4 times
Year in Position / start from	:	28 years / 27 <sup>th</sup> May 1994
Conflict of Interest	:	<ul style="list-style-type: none"> <li>- Not being a director, employee, consultant who get the monthly benefit from the Company</li> <li>- Not being any kind of service professional to the Company</li> <li>- Not having any relationship with any business linking to the Company which influent to the decision making independently.</li> </ul>
Records on Securities and Derivatives	:	None
Illegal		



## 7. Mr. Krit Indhewat (81)

Position	:	Independent Director, Audit Committee
Education	:	Bachelor Degree – London University, England
Training by Thai Institute of Directors Association (IOD)	:	None
Relationship with Director & Executive	:	None
Company's securities holding as at 31 <sup>st</sup> December 2021	:	155,250 shares = 0.36% (no change) (Spouse hold 9,000 shares = 0.02% and no minor children)
Work Experience	:	Director – Advance Ad Co., Ltd. Board Consultant – Kodanmal Co., Ltd.
Current position in other organization		
- in listed companies	:	None
- in non-listed companies	:	2 companies : Director – Advance Ad Co., Ltd. Board Consultant – Kodanmal Co., Ltd.
- in other organization	:	Director – Rotary Club of Bangkapi Foundation
- in other organization that may cause any conflict of interest to Company	:	No position of director or consultant in such organization
Numbers of meeting attendances	:	4/4 times
Year in Position / start from	:	22 years / 30 <sup>th</sup> April 2000
Conflict of Interest	:	- Not being a director who get the monthly benefit from the Company - Not being any kind of service professional to the Company - Not having any relationship with any business linking to the Company which influent to the decision making independently.
Records on Securities and Derivatives	:	None
Illegal		

## 8. Mr. Toshiyuki Koike (49)

Position	:	Independent Director, Audit Committee, and Risk Management Committee
Education	:	- Master of Management, Mahidol University, Thailand - Bachelor of Arts (Economic and Literature), Aoyama Gakuin University, Japan
Training by Thai Institute of Directors Association (IOD)	:	None
Relationship with Director & Executive	:	None
Company's securities holding as at 31 <sup>st</sup> December 2021	:	No share
Work Experience	:	2018 – present      Director SBA Limited 2012– 2018      Managing Director ENZO International Co., Ltd.
Current position in other organization		
- in listed companies	:	None
- in non-listed companies	:	1 company : Director – SBA Limited
- in other organization	:	No position of director, executive or consultant in any organization such as association or foundation.
- in other organization that may cause any conflict of interest to Company	:	No position of director or executive in such organization.
Numbers of meeting attendances	:	4/4 times
Year in Position / start from	:	12 years / 10 <sup>th</sup> May 2010
Conflict of Interest	:	- Not being a director, employee, consultant who get the monthly benefit from the Company - Not being any kind of service professional to the Company - Not having any relationship with any business linking to the Company which influent to the decision making independently.
Records on Securities and Derivatives	:	None
Illegal		

## 9. Mr. Vibool Uer-anant (66)

Position	:	Independent Director and Risk Management Committee – Chairman
Education	:	<ul style="list-style-type: none"> <li>- M.P.A California State University, Fullerton, USA.</li> <li>- Bachelor of Science in Microbiology, Weber State College</li> <li>- Bachelor of Science in Business Administration, Chapman College</li> </ul>
Training by Thai Institute of Directors Association (IOD)	:	<ul style="list-style-type: none"> <li>- Directors Certification Program (DCP) – in year 2015</li> <li>- Risk Management Program (RMP) in year 2015</li> </ul>
Relationship with Director & Executive	:	Sister – Ms. Vrinporn Uer-anant
Company's securities holding as at 31 <sup>st</sup> December 2021	:	10,000 shares = 0.02% (no change) (Spouse hold 4,000 shares = 0.009% and minor children - no share)
Work Experience	:	2001– present      Managing Director Varothorn Parts & Service Co., Ltd.  2002 – present      Managing Director Samma Biz Co., Ltd.
Current position in other organization		
- in listed companies	:	None
- in non-listed companies	:	2 companies :      Managing Director – Vorothorn Part & Service Co., Ltd. Managing Director – Samma Biz Co. Ltd.
- in other organization	:	No position of director, executive or consultant in any organization such as association or foundation.
- in other organization that may cause any conflict of interest to Company	:	No position of director or executive in such organization.
Numbers of meeting attendances	:	4/4 times
Year in Position / start from	:	8 years / 11 <sup>th</sup> November 2013
Conflict of Interest	:	<ul style="list-style-type: none"> <li>- Not being a director, employee, consultant who get the monthly benefit from the Company</li> <li>- Not being any kind of service professional to the Company</li> <li>- Not having any relationship with any business linking to the Company which influent to the decision making independently.</li> </ul>
Records on Securities and Derivatives	:	None
Illegal		

## 10. Mrs. Eumporn Pamornbutr (72)

Position	:	Non-Executive Director												
Education	:	<ul style="list-style-type: none"><li>- Bachelor degree of Business Administration in Accounting, South East Bangkok College</li><li>- Certificate - Mini MBA, Thammasat University</li><li>- Certificate - Financial Management, Chulalongkorn University</li><li>- Training by Federation of Accounting Professions</li><li>- Chief Financial Officer Certification Program from Federation of Accounting Professions in year 2006</li><li>- Risk Management for Executive Program from Chulalongkorn University</li></ul>												
Training by Thai Institute of Directors Association (IOD)	:	<ul style="list-style-type: none"><li>- Directors Accreditation Program (DAP) – in year 2003</li><li>- Finance for Non-Finance Directors – in year 2005</li><li>- Role of Compensation Committee – in year 2012</li></ul>												
Relationship with Director & Executive	:	None												
Company’s securities holding as at 31 <sup>st</sup> December 2021	:	58,500 shares = 0.14% (no change) (Spouse – no share & no minor children)												
Work Experience	:	<table><tr><td>2021 – Present</td><td>Director</td></tr><tr><td></td><td>Alucon Public Company Limited</td></tr><tr><td>2016 – 2021</td><td>Senior Assistant Managing Director</td></tr><tr><td></td><td>Alucon Public Company Limited</td></tr><tr><td>2003 – 2016</td><td>Assistant Managing Director</td></tr><tr><td></td><td>Alucon Public Company Limited</td></tr></table>	2021 – Present	Director		Alucon Public Company Limited	2016 – 2021	Senior Assistant Managing Director		Alucon Public Company Limited	2003 – 2016	Assistant Managing Director		Alucon Public Company Limited
2021 – Present	Director													
	Alucon Public Company Limited													
2016 – 2021	Senior Assistant Managing Director													
	Alucon Public Company Limited													
2003 – 2016	Assistant Managing Director													
	Alucon Public Company Limited													
Current position in other organization														
- in listed companies	:	None												
- in non-listed companies	:	1 company : Director - H.W Schneider Co., Ltd.												
- in other organization	:	1 organization : President - Hartmuth & Illse Schneider Foundation for Children, Thailand												
- in other organization that may cause any conflict of interest to Company	:	No position of director or executive in such organization												
Numbers of meeting attendances	:	4/4 times												
Year in Position / start from	:	32 years / 27 <sup>th</sup> May 1990												
Conflict of Interest	:	<ul style="list-style-type: none"><li>- Not being a director who get the monthly benefit from the Company</li><li>- Not being any kind of service professional to the Company</li><li>- Not having any relationship with any business linking to the Company which influent to the decision making independently.</li></ul>												
Records on Securities and Derivatives	:	None												
Illegal														

## 11. Ms. Kasumi Takeuchi (33)

Position	:	Non-executive Director
Education	:	<ul style="list-style-type: none"> <li>- Master of Public Policy, National Graduate Institute for Policy Studies, Japan</li> <li>- MBA with High Distinction – University of Michigan, USA</li> <li>- Bachelor degree of Laws, University of Tokyo, Japan</li> </ul>
Training by Thai Institute of Directors Association (IOD)	:	None
Relationship with Director & Executive	:	Mr. Takaaki Takeuchi – Uncle
Company's securities holding as at 31 <sup>st</sup> December 2021	:	None
Work Experience	:	<div>2019 – Present      Managing Director, General Manager – Administration Division Takeuchi Press Industries Co., Ltd.</div> <div>2017 – 2019      Director, Deputy General Manager – Administration Division Takeuchi Press Industries Co., Ltd.</div>
Current position in other organization		
- in listed companies	:	None
- in non-listed companies	:	None
- in other organization	:	No position of director, executive or consultant in any organization such as Association or Foundation
- in other organization that may cause any conflict of interest to Company	:	1 company :    Managing Director, General Manager - Administration Division Takeuchi Press Industries Co., Ltd.
Numbers of meeting attendances	:	4/4 times
Year in Position / start from	:	5 years / 20 <sup>th</sup> April 2017
Conflict of Interest	:	<ul style="list-style-type: none"> <li>- Not being a director who get the monthly benefit from the Company</li> <li>- Not being any kind of service professional to the Company</li> <li>- Having relationship with Takeuchi Press Industries linking to the Company which influent to the decision making independently.</li> </ul>
Records on Securities and Derivatives	:	None
Illegal		

## Details related to Company Secretary shall be as follows :

Name	: Mr. Pitipong Archamongkol				
Age	: 48 years				
Position	: Legal Manager and Company Secretary				
Appointing Date	: 6 <sup>th</sup> August 2010				
Education	: <ul style="list-style-type: none"><li>- Bachelor Degree on Law from Chulalongkorn University</li><li>- Master Degree on Business Law from Chulalongkorn University</li><li>- Certificate on International Trade Law from Thammasat University</li></ul>				
Training by IOD	: <ul style="list-style-type: none"><li>- Company Secretary Program - Y2011</li><li>- Board Reporting Program - Y2011</li><li>- Anti-Corruption : The Practical Guide -Y2016</li></ul>				
Shareholding as of 31 <sup>st</sup> December 2021	: 100 shares = 0.001 %				
Relationship with Director & Executive	: None				
Work Experience	: <table><tr><td>2010 – present</td><td>Legal Manager and Corporate Secretary ALUCON Public Company Limited</td></tr><tr><td>2004 – 2010</td><td>Legal Manager Siam Nissan Automobile Co., Ltd.</td></tr></table>	2010 – present	Legal Manager and Corporate Secretary ALUCON Public Company Limited	2004 – 2010	Legal Manager Siam Nissan Automobile Co., Ltd.
2010 – present	Legal Manager and Corporate Secretary ALUCON Public Company Limited				
2004 – 2010	Legal Manager Siam Nissan Automobile Co., Ltd.				
Records on Securities and Derivatives Illegal	: None				

## Scope of Responsibility of Corporate Secretary shall be follows :

1. To organize the Board of Directors' meetings and shareholders' meetings in compliance with the applicable laws, Articles of Association and regulations related to the Company.
2. To prepare and keep the following documents:
  - Directors' registration;
  - Invitation to the Board of Directors' meetings, the minutes of the Board of Directors' meetings and annual report of the Company; and
  - Invitation to the shareholders' meetings and the minutes of the shareholders' meetings;
3. To keep the stakeholder report filed by directors or executives;
4. To provide advice and recommendations to the directors as regards the laws and regulations in relation to the maintenance of the status as a listed company on the Stock Exchange of Thailand, good corporate governance and regulations relevant to the Company's business;
5. To supervise the disclosure of information and various information reports to be in accordance with the laws and/or regulations of the Stock Exchange of Thailand, SEC and other regulatory agencies as well as the good corporate governance principles;
6. To perform other tasks as announced by the Capital Market Supervisory Board or as assigned by the Board of Directors.

In the event that the company secretary vacates office or is unable to perform duties, the Board of Directors shall appoint a new company secretary within 90 days from the date the former company secretary vacates office or is unable to perform duties, and the Board shall have the power to assign any member to perform the duties on their behalf during the said period.

Details related to the highest responsibility in accounting and finance Department shall be as follows:

Name	:	Mrs. Theerapha Thirapatana
Age	:	52 years
Position	:	Account Finance and Administrative Division Manager & CFO
Appointing Date	:	1 <sup>st</sup> February 2021
Education	:	<div><div>- Master Degree of Finance – The University of Technology Sydney, Sydney Australia</div><div>- Bachelor Degree Accounting - Kasetsart University</div></div>
Training by IOD	:	<div><div>- Orientation for Accounting and Finance</div><div>- Upgrade to the Next Normal Financial Professional</div><div>- Continuous developed skill on accounting 12 hours/year and other 6 hours/year</div></div>
Shareholding as of 31 <sup>st</sup> December 2021	:	100 shares = 0.001 %
Relationship with Director & Executive	:	None
Work Experience	:	<div><div><div>2020 – present</div><div>Account Finance and Administrative Division Manager &amp; CFO Alucon Public Company Limited</div></div><div><div>2018 – 2020</div><div>CFO Ducati Motor (Thailand) Co., Ltd.</div></div><div><div>2017 – 2020</div><div>Finance Share Service Manager Faurecia Group</div></div><div><div>2013 – 2017</div><div>Financial Controller Lucy Electric (Thailand) Co., Ltd.</div></div></div>
Records on Securities and Derivatives Illegal	:	None

Details related to the person who directly responsible for accounting supervision shall be as follows:

Name	:	Mrs. Tharnthip Choktumstit
Age	:	48 years
Position	:	Accounting Supervision / Accounting & Finance Manager
Appointing Date	:	1 <sup>st</sup> February 2021
Education	:	<ul style="list-style-type: none"> <li>- Bachelor of Accounting Program in Accounting, Bangkok University</li> <li>- Master of Business Administration Program in Finance, Ramkhamhaeng University</li> </ul>
Training by IOD	:	<ul style="list-style-type: none"> <li>- TFRS for PAEs</li> <li>- Accounting and Taxation for business of which the investment have been promoted by BOI</li> <li>- Deferred Tax and Employee Benefit</li> <li>- E-tax Invoice by E-mail</li> </ul> <p>Total continuous developed skill on accounting - 15 hours</p>
Shareholding as of 31 <sup>st</sup> December 2021	:	None
Relationship with Director & Executive	:	None
Work Experience	:	<div>2019 – present</div> <div>Manager of Accounting and Finance Department Alucon Public Company Limited</div> <div>2012 – 2019</div> <div>Manager of Accounting and Finance Department Panasonic Appliances Cold Chain Co., Ltd.</div>
Records on Securities and Derivatives Illegal	:	None



## APPENDIX 2

---

### Details of the Directors of the Subsidiary

There are no subsidiary company

## APPENDIX 3

---

### Details about Head of Internal Audit and Head of Operations (Compliance)

#### Internal Audit

With regard to the internal audit work, the Company has outsourced to Dhamniti Internal Audit Co., Ltd., Registration No. 0105559084734, located at No. 178 Soi. Permsap (Prachachuen 20), Prachachuen Rd., Bansue Sub-district, Bangsue District, Bangkok Metropolis, which the internal audit has assigned the following persons are the head of the internal audit team.

#### 1. Ms. Korakot Wanasawat

Position : Vice President

Education : - Bachelor Degree – BBA (Accounting Major) Ramkhamhaeng University  
- Certificate – Internal Audit of Certified Professional Internal Audit of Thailand (CPIAT) and International Certified Internal Auditor (CIA) certificate

Work experience and related training : 19 years

Responsibilities related to internal audit :

- Supervise the internal audit performance of each customer to be in accordance with the specified work plan.
- Educating and giving advice Understanding of internal audits to the team and coordinating operations with clients

#### 2. Ms. Sakawrat Paijit

Position : Senior Internal Audit

Education : Bachelor Degree – BBA (Accounting Major) Prince of Songkla University

Work experience and related training : 5 years

Responsibilities related to internal audit :

- Plan and control the internal audit performance of each customer to be in accordance with the specified work plan.
- Provide knowledge and understanding about internal audit to the team and coordinate operations with customers.
- Prepare an internal audit work plan, design inspection methods, assign a team and review the performance of the team.
- Prepare an internal audit report, and present to the management as well as Audit Committee

## Compliance of Company Performance

The company has assigned Mr. Pitipong Archamongkol, Manager of Legal Department to be responsible for supervising the Company's performance in order to comply with the rules and regulations of the Securities and Exchange Commission, and Stock Exchange of Thailand including the provisions of other laws related to operate the company's business which are detailed as follows:

Name : Mr. Pitipong Archamongkol  
Position : Legal Manager and Company Secretary  
Education :  
- Bachelor Degree on Law from Chulalongkorn University  
- Master Degree on Business Law from Chulalongkorn University  
- Certificate on International Trade Law from Thammasat University

Work Experience : 25 years

### Training related to Compliance Section

- Executive Safety Officer Certificate
- Guideline and Policy on Disclosure of Information
- Guideline on Preparation of Report on Good Corporate Governance for Listed Company
- Guideline on Practice according to Safety Act B.E 2554

Shareholding as of : 100 shares = 0.001 %  
31<sup>st</sup> December 2021 Spouse – no shareholding (no child)

Relationship with Director & Executive : None

Work Experience : 2010 – present Legal Manager and Corporate Secretary  
ALUCON Public Company Limited  
2004 – 2010 Legal Manager - Siam Nissan Automobile Co., Ltd.

Records on Securities and Derivatives Illegal : None

### Scope, duties and responsibilities of the Company's Chief Compliance Officer

Chief Compliance Officer has duties and responsibilities to control and operate the Company's operations in accordance with and not in violation of rules, regulations, and practices of the Securities and Exchange Commission and the Stock Exchange of Thailand including the provisions of any law strictly related to the Company's business operations.

## APPENDIX 4

### Assets used in Business Operations and Details of Property Appraisal

#### Lands and Office Buildings

Property Types / Characteristic	Type of Ownership	Book Values (MB)	Obligations
1. Land : No. 500 Moo 1 Soi Sirikam, Sukhumvit Road, Somrong Nua Sub-district, Muang Samutprakarn District, Samuthprakarn Province Area 5 Rai 3 Ngarn 69 Sq.Wah	Owned by Alucon	11.53	Free from obligation
2. Land : No. 500 Moo 1 Soi Sirikam, Sukhumvit Road, Somrong Nua Sub-district, Muang Samutprakarn District, Samuthprakarn Province Area : 397 Sq.Wah	Owned by Alucon	10.51	Free from obligation
3. Land : No. 500 Moo 1 Soi Sirikam, Sukhumvit Road, Somrong Nua Sub-district, Muang Samutprakarn District, Samuthprakarn Province Area 1 Rai 2 Ngarn 2 Sq.Wah	Owned by Alucon	22.15	Free from obligation
4. Land : No. 272/5 Moo. 3 Pak-ruam Aow-Udom Road, Borwin Sub-district, Sriracha District, Chonburi Province Area 206 Rai 1 Ngarn 71 Sq.Wah	Owned by Alucon	76.92	Free from obligation
5. Land : No. 272/5 Moo. 3 Pak-ruam Aow-Udom Road, Borwin Sub-district, Sriracha District, Chonburi Province Area 29 Rai used for Factory (Branch No. 1) which obtains the BOI promotions from BOI No. Aor.Gor. 0906/007694 dated 27 <sup>th</sup> October 2008	Owned by Alucon	55.60	Free from obligation

Property Types / Characteristic	Type of Ownership	Book Values (MB)	Obligations
<p>6. <b>Office Building</b> : No. 500 Moo 1 Soi Sirikam, Sukhumvit Road, Somrong Nua Sub-district, Muang Samutprakarn District, Samuthprakarn Province, which is 3-stoery building, reinforced concrete structure, masonry wall, reinforced concrete floor that covered with rubber tiles and carpet. This building is divided into 1<sup>st</sup> floor used as a factory for manufacturing and storing plastic caps, 2<sup>nd</sup> floor and 3<sup>rd</sup> floor are used as an office, reinforced with concrete structure, masonry walls, precast concrete floor covered with ceramic tiles and synthetic wood.</p>	Owned by Alucon	9.40	Free from obligation
<p>7. <b>Office Building</b> : No. 272/5 Moo. 3 Pak-ruam Aow-Udom Road, Borwin Sub-district, Sriracha District, Chonburi Province, that is 2-storey Building, steel structure, masonry wall, prefabricated concrete floors covered with ceramic tiles, that used for slugs factory, Cans factory, Tubes factory and Caps factory, warehouse and tools room</p>	Owned by Alucon	662.75	Free from obligation

## Machines and equipment used for production as of 31<sup>st</sup> December 2021

1. **Samrong Factory** : No. 500 Moo 1 Soi Sirikam, Sukhumvit Road, Samrong Nua Sub-district, Muang District, Samutprakarn Province

Property Types / Characteristic	Type of Ownership	Book Values (MB)	Obligations
Land and improvements	Owned by Alucon	0.33	Free from obligation
Buildings and improvements	Owned by Alucon	-	Free from obligation
Machines and equipments	Owned by Alucon	1.78	Free from obligation
Furnishing, fixtures and office equipments	Owned by Alucon	1.51	Free from obligation
Vehicles	Owned by Alucon	0.89	Free from obligation
Assets between construction	Owned by Alucon	-	Free from obligation
Total		4.51	

2. **Cans and tubes factory – Sriracha** : No. 272/5 Moo 3 Pak-ruam Aow-udom, Borwin Sub-district, Sriracha District, Chonburi Province

Property Types / Characteristic	Type of Ownership	Book Values (MB)	Obligations
Land and improvements	Owned by Alucon	51.64	Free from obligation
Buildings and improvements	Owned by Alucon	83.25	Free from obligation
Machines and equipments	Owned by Alucon	1,358.59	Free from obligation
Furnishing, fixtures and office equipments	Owned by Alucon	0.05	Free from obligation
Vehicles	Owned by Alucon	2.42	Free from obligation
Assets between construction	Owned by Alucon	11.60	Free from obligation
Total		1,507.55	

3. **Slugs factory – Sriracha** : No. 272/5 Moo 3 Pak-ruam Aow-udom, Borwin Sub-district, Sriracha District, Chonburi Province

Property Types / Characteristic	Type of Ownership	Book Values (MB)	Obligations
Land and improvements	Owned by Alucon	14.12	Free from obligation
Buildings and improvements	Owned by Alucon	22.77	Free from obligation
Machines and equipments	Owned by Alucon	386.31	Free from obligation
Furnishing, fixtures and office equipments	Owned by Alucon	0.01	Free from obligation
Vehicles	Owned by Alucon	0.45	Free from obligation
Assets between construction	Owned by Alucon	15.15	Free from obligation
Total		438.81	

## APPENDIX 5

---

### Policy and Practice of Corporate Governance and Business Ethics that the Company Being Have Made

#### Policy of Good Corporate Governance Of Alucon Public Company Limited

The Company has established rules pertaining Corporate Governance Policy for all employees of ALUCON to acknowledge and practice as follows:

1. Structure, Duties, Responsibilities and Independence of Board of Directors.
2. Rights and Equitable Treatment to Shareholders and Stakeholders.
3. Information Disclosure and Transparency.
4. Controlling System and Risk Management.
5. Business Ethics

#### Practice of good Corporate Governance

The guideline comprises five principles which shaped up the Company's good governance practices as follows:

1. Right of Shareholders
2. Equitable Treatment of Shareholders
3. Role of Stakeholders
4. Disclosure and Transparency
5. Board of Responsibilities

Please see all details of policy and practice of good corporate governance as illustrated in Clause 6.3 hereof.



## Code of Business Ethics & Conducts of Alucon Public Company Limited

### Introduction

In order to make the working of Executives and Staff comply with the principle of good corporate governance, we have prepared “Code of Business Ethics and Conduct” for executives and staff to adhere as a guideline for working and jointly uphold Integrity, Transparency and non-violation of laws and related regulations for the best interests of the shareholders, stakeholders and overall society.

By adhering to such principle, the Company believes it will play a vital part in achieving success, prosperity and widespread acceptance from all parties concerned.

### Definition

Definition	Meaning
Executives	Company directors, Managing director and Division/Department manager level or upper level executives
Staff	Department Section manager level / equivalent or lower level staff
Business Ethics & Conducts	Good codes for doing business for executives and staff so as to lead the corporation to good corporate governance
Property	Movable properties, real properties, technology, copyright, warrants right, patent including inventions
Exclusive Information	Information belonged to or controlled by Alucon Public Company Limited, it's economical valuable information both at present and in the future. Persons who know such information must not disclose it to public without permission of authorized person such as information of customers and employees, information of sales and marketing, information of products and services, accounting information, business plan, marketing plan, financial plan, construction plan, research, development program and method, creative etc.
Stakeholders	Persons and/or juristic persons who are related to the business operating of Alucon, such as shareholders, executives and staff, customers, suppliers, creditors, competitors and society etc.
Adherence to Legal Justice	Decision making and business operating to comply with related rules of law
Fairness and Morality	To perform one's duty/mission fair-mindedly, equally, non-selective treatment based on standards of morality.
Transparency	Transparency of decision making and operating process which can be disclosed and verified under the rules and regulations of law
Integrity	Honesty and Integrity to duty/mission to comply with rules, regulation, good tradition and morality.
Responsibility	Awareness of duty which one has to perform his best and efficiently

Definition	Meaning
Accountability	Accepting of results from performance both positive and negative.
Vision	Creative foresight to create value added for the business in the long term and aiming for excellence in work.

## Code of Business Ethics

Alucon Public Company Limited has Business Ethics. Executives and staff should adhere to the ethics when working as an agent of Alucon Public Company Limited as followings:

### 1. Adhere to Legal Justice

The Company adheres to Legal Justice in doing business. Furthermore, it is the duty that executives and staff must know rules and regulation of company, relevant law including law to be promulgated in the future that affect to their management and working.

#### Code of Practice

1. Executives and staff must learn and understand rules used as basis in working of public affair both in written and verbal.
2. Executives and staff must not seek for business confidential information of competitors or specific information of competitors by unlawful means such as stealth, espionage or infringement of agreement on not disclosing confidential information of competitor neither getting from customers nor other persons.

### 2. Have Transparency

Alucon has Transparency of decision making and operation process, able to disclose information to the stakeholders to know and examine under the laws and rules, regulations and procedures of the company.

#### Code of Practice

1. Executives and staff must arrange reports concerning to accounting, financial, business conditions, operating performance, to show the financial status and operating performance of Alucon actually, accurately in accordance with accounting standard, reliably and able to be audited by Audit Committee.

2. Executives and staff must implement purchasing and procurement process in compliance with the policy of Alucon strictly, transparently, clearly and fairly.

In case the management, salesperson or shareholder of the trading partner is a relative or lives under the same roof with the management or staff of the Company, that management or staff of the Company must immediately notify the superior in writing and avoid getting involved in such purchasing / procurement transaction.

3. Executives and staff must perform their duties strictly in compliance with the Authorization Manual.

### 3. Strictly observe Fairness and Morality

Alucon strictly observes Fairness and Morality to the stakeholders in order to create ongoing friendly relationship in doing business, does not use selective treatment to any one unfairly judged, using personal judgment or relation but give opportunity to any one equally by not discriminating against race, nationality, religion or sex.

#### Code of Practice

1. Executives and staff must give fairness and no selective treatment to stakeholders upon doing business.
2. Executives must manage work calmly and carefully in order to make the shareholders trust and accept that action are performed with fairness and consideration of the maximum benefit of all shareholders both majority and minority.

3. Executives and staff must give fairness and no selective treatment in provision of employment that means personnel seeking, consideration on employing, remuneration and benefit, promotion, transference, performance evaluation, training, adherence to regulation, ending up of employment, dismissal and re-employment as well as participation in society and recreational activity etc.
4. Executives and staff must always exert to provide service that is over customers' expectation as well as to provide services to customers with honesty and fairness, not gain advantages at the expenses of customers or cheating customers.
5. Executives and staff must perform compliance with term of dealings with suppliers / creditors honestly and fairly. In case unable to perform compliance with the terms, they must inform the suppliers / creditors to jointly solve the problems.

#### 4. Think highly of customers

Alucon thinks highly and cares for customers by controlling products and services to have quality so as to make customers satisfied.

##### Code of Practice

1. Executives and staff must know and understand products and services of Alucon thoroughly and must give the accurate and complete information to customers.
2. Executives and staff must learn and understand customers' needs thoroughly before offering products and services to customers to suitably respond to the customers' requirement and must always be interested and love to seek for knowledge and accumulate experience in working to have more efficiency to additionally respond to customers' satisfaction.
3. Executives and staff must treat customers politely, respect customers and use polite speech to customers.

4. Executives and staff must have good attitude toward customer service work, think highly of service work and perform with great effort as a result that the service work will be valuable and efficiently leading to the excellence in service.
5. Executives and staff must respect customers' decision and opinion, not even violate personal right of customer.

#### 5. Be responsible for society

The company realizes its Responsibility to the society and community as long as it is a main mission to create project and activity of which are useful in social and community development.

##### Code of Practice

1. Executives and staff should have participation or arrange activity for public advantage of social development and services such as activities about education, arts and culture, environment etc.
2. Executives and staff must realize participation in natural resources conservation and environment preservation and even avoid any action that will harm or pollute related natural resources, environment and residence system.

#### 6. Not involved in politics activities

The Company is impartial by not doing any action that will absorb in any political party or any person who has political power for seek profit but will promote and co-operate to have executives and staff use liberty right in democracy under the constitution.

##### Code of Practice

1. Executives and staff must not use position, fund, time, supply and equipment or facilities of Alucon in favor and supporting political candidate or organization.
2. Executives and staff must not use authority to pressure or force colleagues and subordinates to give supporting to political candidate or organization.

## Code of Business Conducts

It is a good business practice, charting the operation of all sectors towards the same direction, under the same principles of morality, Transparency, and Accountability. To this end, the Company has formulated the following code of business conduct:

### 1. Code of Business Conduct of Directors and Executives

- Perform duties according to the law, rules, regulations, and relevant policies.
- Perform duties with honesty, due attention, prudence, and ethics for the maximum benefit of the company and the stakeholders.
- Devote time to work with the utmost knowledge and ability.
- Avoid conflicts of interest with the company, whether directly or indirectly.
- Do not get involved in unlawful transactions of assets or other benefits with the company's stakeholders.
- Do not use one's authority to reap personal benefit.
- Maintain one's dignity so as to be respectable in society; behave properly according to one's role and authority.
- Treat others with kindness; respect the rights and dignity of others; honor others.
- Keep confidential information of the company and the stakeholders through measures against leaks to unrelated people even after ending employment with the company, except in compliance with the law or under commitment.
- Do not buy, sell, transfer, or receive transfer of the company's assets by taking advantage of undisclosed inside information for one's own benefit or the benefit of others.
- Treat others with kindness; respect the rights and dignity of others; honor others.
- Open to others' opinions with reason and without bias.
- Create unity and provide assistance for the overall benefit of work, society, and the country.
- Keep confidential information of the company and the stakeholders through measures against leaks to unrelated people even after ending employment with the company, except in compliance with the law or under commitment.
- Abstain from using information obtained at work to unlawfully seek one's own benefit or benefit of others.
- Abstain from acting or giving opinions to outsiders, the media, the social media, or other social networks on any subject that may affect the company's reputation and image.
- Refrain from claiming as one's own the performance of others whether in or outside the company.

### 2. Code of Business Conducts of Employees

- Perform duties according to the law, rules, regulations, and relevant policies.
- Adhere to honesty, fairness, and ethics in performing duties.
- Perform duties with Responsibility, caution, and dedication for the company's maximum benefit.
- Continuously improve work under Responsibility.
- Maintain one's dignity so as to be respectable in society; behave properly according to one's role and authority.

### 3. Code of Business Conduct of Stakeholders

The directors, executives, and all employees must adhere to the code of conduct towards the stakeholders as follows:

#### 3.1 Treatment of shareholders

- Strictly adhere to the resolutions of shareholders' meetings. If one cannot adhere to the resolutions of the shareholders' meeting, one must inform the shareholders without delay or call for a shareholders' meeting to approve an important issue that is not under the authority of the board of directors or the management.
- Oversee that all stakeholders equally receive basic rights.
- Committed to growth with quality and stability so that the shareholders get sustainable returns through the company's efficient performance and high benefit.
- Disclose information to the shareholders in a complete, correct, and timely manner.

### 3.2 Treatment of customers

- Ensure the satisfaction of the customers with quality goods and services, according to safety on health, life, and property.
- Respect promises or agreements with customers with fairness. If such promises or agreements cannot be kept, one must promptly negotiate with the customers in advance so as to solve problems or avoid damage.
- Behave towards all customers with equality and without discrimination.
- Disclose information to customers in a complete, correct and sufficient manner, without concealing, distorting, giving false or misleading information.
- Do not use images or contents that may cause negative attitudes, social division, or improper values, especially those about sex or immorality, in the company's sales campaigns.
- Oversee that the environment, the area inside and around the property under the company's management, is safe for health, life, and property.

### 3.3 Treatment of business partners

- Respect promises or agreements with business partners with fairness. If the promises or agreements cannot be kept, one must promptly negotiate with the partners in advance so as to solve problems or avoid damage.
- Maintain sustainable relationship with business partners, including cooperation in economy, society, and the environment.
- Oversee the Transparency of the procurement and service systems by treating all business partners with equality and fairness according to the company's regulations.
- On procurement, one should not specify the qualifications of goods or services of any particular business partner or to intentionally specify the qualifications with the favor towards the particular goods or services, except in the case of necessity with sufficient supporting reason.
- Provide the same details of information and conditions to all business partners.

- Check the delivered goods or finished work and pay the goods or services in a correct and speedy manner.

### 3.4 Treatment of creditors

- Strictly respect promises or agreements with creditors. If the promises or agreements cannot be kept, one must promptly negotiate with the creditors in advance so as to solve problems or avoid damage.
- Manage work to ensure the creditors of the company's financial status and good record of loan repayment.
- Manage the loans according to the objective of expenses; abstain from using the loans in the way that may cause damage to the company.
- Disclose information to the creditors in a complete, correct, and timely manner.

### 3.4 Treatment of employees

- Provide fair employment conditions so that employees may receive proper remunerations according to their knowledge, ability, potential, and performance, in line with the company's performance and comparable to other companies in the same business.
- Provide a process of selection, appointment, transfer, welfare, awards, termination of employment, and punishment of employees, based on Transparency, Accountability, honesty, and fairness.
- Encourage employees to widely and continuously develop and exchange knowledge and ability.
- Oversee a working environment that is safe to health, life, and property of employees.
- Provide key information to employees so that they may be aware of the company's performance and actual situations.
- Encourage dialogue between the company and the employees or representatives of the employees to present information to the company's decision-makers so as to improve the quality of the workplace in view of joint development.

- Equally respect the rights of expression of all employees without intervention; also, set up a process of hearings and complaints in a proper and fair manner.
- Promote supporting activities so that employees may have a balanced life, whether related to work, education, recreation, or family.

### 3.6 Treatment of business competitors

- Refrain from seeking confidential information of business competitors.
- Perform duties under the framework of fair competition; abstain from slandering business competitors through false or improper claims.
- Promote exchange of information useful so as to strengthen the business and help sustain the economy, society, the environment, and the country.

### 3.7 Treatment of society, communities, and the environment

- Strictly adhere to the relevant law, rules, orders, and regulations and try to upgrade the implementation to be of higher standard than specified by law if, by so doing, we will benefit society, communities, the environment, and the country.
- Prevent damage caused by the company's business to society, communities, and the environment.
- Create awareness among all employees and the company's stakeholders of the continuous Responsibility towards society, communities, and the environment.
- Conduct business while taking into account efficient use of resources.
- Conduct business in parallel with making people in society, communities, and all stakeholders good, cultured, and ethical; also, promote education and other public activities as well as energy saving and environmental protection.

- Use knowledge acquired from experience in corporate social Responsibility to develop and innovate ideas so as to add value to the business and society.

- Cooperate with the government and relevant agencies on any event with impact(s) on society, communities, and the environment as a result of its business.

### 3.8 Treatment of the government

- Strictly cooperate with the government in compliance with the law, rules, and regulations involving its business.
- Present opinions and participate with the government in developing the country, whether in the economy, society, or the environment.
- Manage projects that are beneficial to the public, whether as assigned by the government or company-initiated projects.

### 3.9 Treatment of independent organizations and other related social organizations

- Disclose and exchange information with independent organizations and other related social organizations, whether in the economy, society, or the environment.
- Participate in activities organized by independent organizations and other related social organizations to promote sustainable development and respond to society's expectations.
- In managing joint projects with independent organizations and other related social organizations, one must take into account impact(s) on the economy, society, and the environment.

## Postscript

This "Codes of Business Ethics and Conducts" is a discipline that Executives and staff must understand and adhere to, and it is not allowed for executives and staff to do any acts which violates this "Codes of Business Ethics and Conducts". If there is unclear or any other problems except from the Codes as stipulated may occur, executives and staff should consult with superiors respectively in order to jointly solve the problem or find out appropriate bounded duties.

# APPENDIX 6

## Report of the Audit Committee 2021

### Report of the Audit Committee 2021

Dear Shareholders

The Audit Committee of Alucon Public Company Limited comprises of 3 independent directors, consisting of

Ms. Vrinporn Uer-Anant	Chairperson of Audit Committee
Mr. Krit Indhewat	Member of Audit Committee
Mr. Toshiyuki Koike	Member of Audit Committee

The Audit Committee has fulfilled its duties and carried out all the responsibilities stipulated in the Charter of Audit Committee and as assigned by Board of Directors without limitation obtaining information for performing its duties. The Audit Committee focuses on the implementation of the principles of corporate governance in accordance with the rules and best practices set by the Securities and Exchange Commission and the Stock Exchange of Thailand.

In Y2021, the Audit Committee held 4 meetings, with all 3 members attending in each meeting. In these meetings, the Audit Committee discussed with the management team, External Auditor, and Internal Auditor in relevant matters. Its main activities can be summarized as follows:

#### 1. Financial Report

To review the Company's quarterly and annual financial statements by taking into account the significant items, suitability of accounting policies used, completeness and accuracy of the disclosure in the notes to financial statements and the auditor's observations. The Audit Committee requested for the auditor's opinion on the accuracy and completeness of the financial statements, disclosure of information, including adjusting important entries, in which the auditor gave a consistent opinion that the financial statements and financial disclosures were sufficient and appropriate in accordance with generally accepted accounting standards.

#### 2. Internal Control

To review the internal control system and corporate governance to ensure that the Company's operations achieved the objectives. The Audit Committee considers audit report from independent external agencies acting as the internal auditor and external auditor and also the reports of the internal audit of the Company, which were continuously followed up and reviewed. It has been monitored and reviewed so that the management has complied with the recommendations on the internal control system. This reasonably ensures that the Company has a good and sufficient internal control system in order for identifying weaknesses and significantly preventing fraud or unusual operations.

#### 3. Anti-Corruption Supervision

The Audit Committee recognizes the importance of corporate compliance and reviewing the anti-corruption guidelines by supervising the expansion of the anti-corruption practices of the management to each department of the Company as well as the trading partners, to create the balance such as the guidelines for accepting and giving gifts.



#### **4. Internal Audit Supervision**

The Audit Committee reviewed the scope of work, duties, responsibilities, and sufficiency of personnel, personnel knowledge and competency development, and also supervised the internal audit to ensure that the internal audit activity and the role as a consultant of the internal audit regarding internal control systems, risk management systems and corporate governance are independent, effective and efficient. In addition, the Audit Committee also approved the internal audit plan for Y2022 by focusing on auditing the effectiveness of operations which were the important preventive control points including fraud prevention audit.

#### **5. Compliance with Rules and Regulations**

The Audit Committee reviewed the Company's operations to be in accordance with the Securities and Exchange Act, rules and regulations of the Securities and Exchange Commission, the Stock Exchange of Thailand and other laws related to the Company's business operations. The Audit Committee is of the opinion that the Company strictly and correctly complied with the laws and regulations.

#### **6. Connected transactions or Potential Conflicts of Interest**

The Audit Committee reviewed, supervised, and provided an opinion on the connected transactions or potential conflicts of interest on a quarterly basis based on reasonability, transparency and adequate information disclosure as a normal business for the extreme benefit to the Company.

The Audit Committee is of the opinion that the management has made the decision to make such transactions for the benefit of the Company, as they normally do with third person.

#### **7. Auditor**

The Audit Committee selected, appointed and proposed the remuneration of the auditor for Y2022 by considering the qualifications of the auditor, skills, knowledge, abilities and experience in auditing, independence of the auditor in accordance with the ethics of accounting professionals and the requirements of the Securities and Exchange Commission, the quality of auditing work for the past year and the appropriateness of audit fees. The Audit Committee therefore had a resolution to propose to the Board of Directors for approval in the shareholders' meeting to appoint an auditor from KPMG Phoomchai Audit Company Limited as an auditor for Y2022.

#### **8. Self-assessment**

The Audit Committee evaluated its performance using self-assessment as group or as individual according to the guidelines of the stock Exchange of Thailand. The results showed that the Audit Committee performed its duties and responsibilities as specified in the Audit Committee Charter by adhering to the accuracy, prudence, transparency, sufficient independence and fairness without restrictions on access to information from executives, employees and relevant parties, as well as providing constructive comments and suggestions for the equal benefit of all stakeholders.

In conclusion, the audit committee is of an opinion that the Board of Directors, the Executive Directors, and the management of the Company have ethics and a commitment to perform their duties in order to achieve the Company's goals with professional quality keeping up with the changes by attaching great importance to the operations under an efficient, transparent corporate governance system. In addition, the Company has concise, sufficient, and appropriate risk management and internal control systems.

(Ms. Vrinporn Uer-anant)  
Chairperson of the Audit Committee  
Alucon Public Company Limited  
25<sup>th</sup> February 2022



# APPENDIX 7

## Report of the Risk Management Committee

### Report of the Risk Management Committee

Dear Shareholders

The Board of Directors has significantly focused on risk management whether in terms of strategy or operation performance. The Risk Management Committee is responsible for ensuring that the Company's risk management is efficient and successful through strategic plan, target attainment, compliance procedure, and control.

The Risk Management Committee are composed of two Independence Directors and one Executive Director whose qualifications meet the Risk Management Committee's charters which must comply with the Office of Securities and Exchange Commission's criteria. The names of committee members are as follows:

- |    |                      |                                       |
|----|----------------------|---------------------------------------|
| 1. | Mr. Vibool Uer-anant | Chairman of Risk Management Committee |
| 2. | Mr. Toshiyuki Koike  | Risk Management Committee Member      |
| 3. | Ms. Salinee Mahtani  | Risk Management Committee Member      |

and Mr. Pitipong Archamongkol, Company Secretary, as a coordinator to Risk Management Committee.

With regard to the performance for Y2021, there was one risk management meeting to follow up the assigned tasks and report to the Board of Directors the major issues as follows:

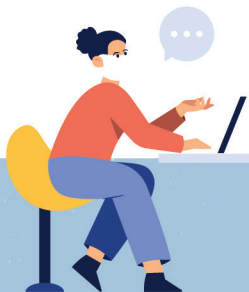
1. To manage the risk relating to COVID-19 pandemic by setting up appropriate measures covering the production, marketing & sales, HR, and others as per the government's announcement and the New Normal.
2. To set up the Company's risk policy, strategy, and risk management plan for Y2021 for the Board of Directors.
3. To supervise and monitor the risk management performance as stated in the Company's risk management policy of each department including the improvement of the process, efficiency and effectiveness of the system assessment, in order to reduce the risk possibility to suit the Company's business operations.
4. To review the adequacy of the Risk Management Committee's Charter and Risk Management Policy, to propose for approval from the Board of Directors. For Y2021, there was no amendment due to the current version are complete and appropriate.
5. To encourage the management and employee to realize the importance of risk management, in order to achieve the set goals. The Risk Management Committee is confident to the risk management under normal circumstances and in the event of the COVID-19 outbreak continuously and efficiently, in accordance with the principles and practices of good corporate governance as well as having adequate internal control system and suitable for legal compliance business and regulation related to business operations accurately and completely.

The Risk Management Committee has assigned the Risk Management Team to assess and revised the Company's risk on Y2021 of every department and it can be concluded that 6 items on high risk level and 74 items on medium risk level. The risk assessment normally carry out once a year.

For Y2021, the overall industry continues to fluctuate due to economic conditions, trade war, and COVID-19 epidemic, the Risk Management Committee also continuously monitors and provides comments on the Company's risk management and covers all issues of concern. This also focus on the new risk that may affect the Company's business operation in the future; provided that this is to ensure that the Company has effective corporate risk management in appropriate level and it can be controlled to the acceptable level, which enable to achieve its goals.

Mr. Vibool Uer-anant  
Chairman of Risk Management Committee  
25<sup>th</sup> February 2022

# วิธีการป้องกัน การแพร่ระบาดของโควิด-19 ในสถานที่ทำงาน



# ALUCON

Public Company Limited

---

500 Moo 1, Soi Sirikam, Sukhumvit Road,  
Samrong Nua, Muang Samutprakarn, Samutprakarn Province 10270

Tel : +66 2 398 0147 Fax : +66 2 398 3455

E-mail : [alucon@alucon.th.com](mailto:alucon@alucon.th.com)

[www.alucon.th.com](http://www.alucon.th.com)

