

# ALUCON

Public Company Limited

56-1  
One Report  
2022



ASIA'S LEADER IN THE WORLD OF ALUMINIUM CONTAINERS



# ALUCON

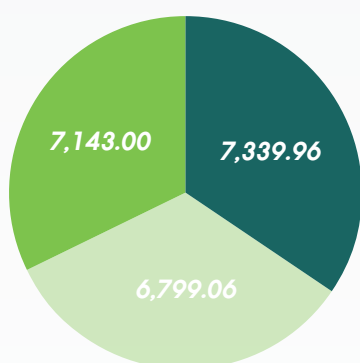
## Public Company Limited



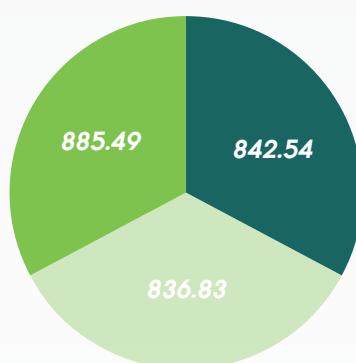


## Financial Highlight

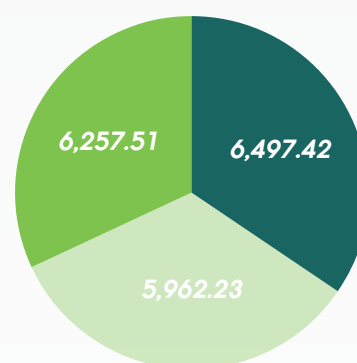
	2022	2021	2020
<b>Financial Status (Million Baht)</b>			
Total Assets	7,339.96	7,143.00	6,799.06
Total Liabilities	842.54	885.49	836.83
Total Equity	6,497.42	6,257.51	5,962.23
<b>Operating Results (Million Baht)</b>			
Revenues	7,202.38	5,972.49	5,072.38
Expenses	6,406.37	5,091.73	4,243.97
Finance Costs	-	-	-
EBT	796.00	880.76	828.41
Net Profit	659.41	704.22	669.00
EPS	15.26	16.30	15.49



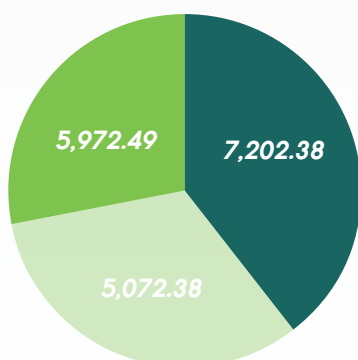
Total Assets



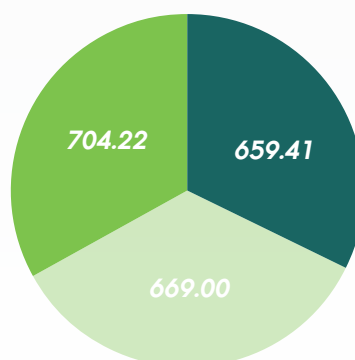
Total Liabilities



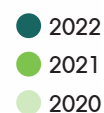
Total Equity



Revenues



Net Profit





# Content

- 004 Financial Highlight
- 006 Report by The Managing Director

## 1

### 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
- 037 General information and other significant information

## 2

### Corporate Governance

- 040 Good Corporate Governance Policy
- 055 Corporate governance structure and Important Information about the Board of Directors, Sub-committees, managements, Executives, employees, and others
- 065 Report on Key Performance of Corporate Governances
- 076 Internal Control and Connected Transactions

## 3

### Financial statements

- 083 Financial Statements

## 4

### Certification of Information Accuracy

- 124 Certification of Information Accuracy

## 5

### APPENDIX

- 126 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
- 140 APPENDIX 2 Details of the Directors of the Subsidiary
- 141 APPENDIX 3 Details about Head of Internal Audit and Head of Operations (Compliance)
- 143 APPENDIX 4 Assets used in Business Operation and Details of Property Appraisal
- 146 APPENDIX 5 Policy and Practice of Corporate Governance and Business Ethics that the Company Being Have Made
- 154 APPENDIX 6 Report of the Audit Committee
- 156 APPENDIX 7 Report of the Risk Management Committee



## REPORT BY THE MANAGING DIRECTOR

Thailand's GDP growth rate increased 2.6% from 1.5% in year 2021 and it expected to exceed 3% in year 2023.

The total revenue of Alucon year 2022 was over Baht 7.2 billion which is the first time in our history but less profit. The performance of Alucon during the year 2022 was:

- Total revenue increased 21% from Baht 5,972 million to Baht 7,202 million; slug sale increased 29% because of higher aluminum ingot price and strong US dollar.
- Net profit after tax decreased 6% from Baht 704 million to Baht 659 million.
- Total production of aluminum cans and tubes increased 6% from 701 million units to 746 million units.
- Slug production increased 2% from 35,839 tons to 36,553 tons.

The start of Ukraine war worsened already high inflation. Especially in March 2022, aluminum ingot price reached record high of over USD 4,000 per ton. Furthermore, all material cost, energy cost and transportation cost; all prices rises sharply. Consequently, we increased our product selling price; nevertheless, it was insufficient to offset the entire cost increase.

The number of employees fell by 3% or 37 people from 1,197 people to 1,160 people. I am proud of our staffs efforts to produce more with fewer people. We have been attempting to train our employees to become multi-skilled, allowing them to expand their job responsibilities.

Capital investment is decreasing like in previous years. As a result, the company's debt to equity ratio decreased to just 13%. This year, we will start operating additional solar panels for two more factory buildings. Not only it will help us save energy cost but also gain tax privileges from the government. Alucon strives to develop more eco-friendly products by utilizing of scrap material and lightweight cans. We will continue to develop and improve our products in order to meet the highest level of satisfaction for our valued customers. Through our products; tubes, cans and slugs we contribute to people's safer lives, healthier, more convenient and more comfortable.

Even COVID-19 pandemic peaked, the war in Ukraine is still going, Alucon is facing another challenging year. 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





# **Section 1**

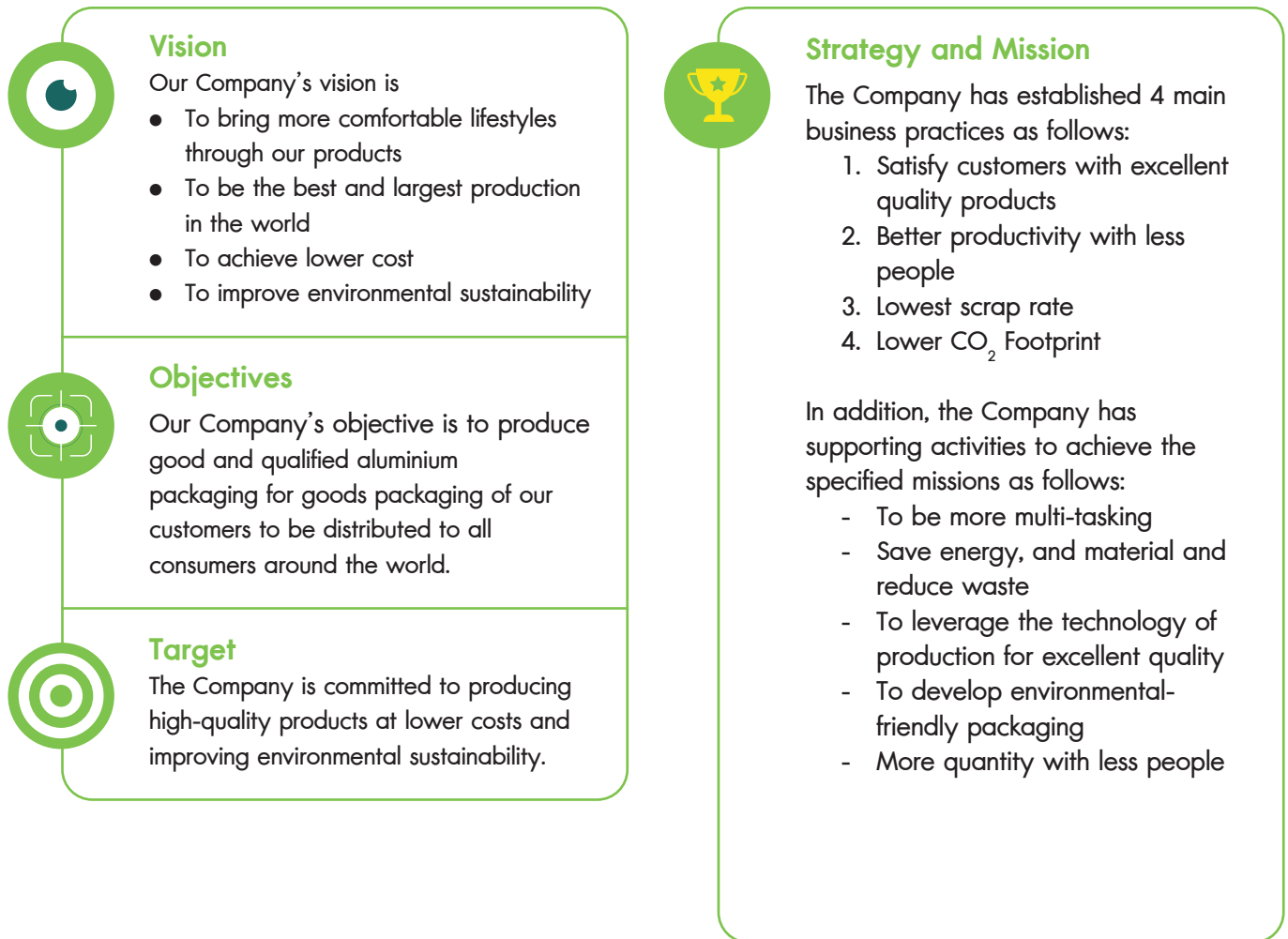
## **Business Operation and Performance**



## 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 as well as slugs being used for forming various types 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 was established in 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 a production capacity that can meet the needs of customers. In the past several years, the Company has had a sales volume of up to 6 billion Baht. This is because the Company has built a good and long relationship with customers around the world, created satisfaction for customers, and brought new technology to develop products to satisfy the Company's customers continuously.



### Material changes and developments

The company is in the process of installing additional solar panels in Building 6 and Building 7, bringing the power generation capacity to 3.6 megawatts. The main objective is to use alternative energy in the business to reduce the use of electricity from outside, as energy prices tend to rise continuously. The project is to reduce the environmental impact by reducing carbon dioxide emissions.

In addition, the company continues to participate and receives the entrepreneurial social responsibility standard award. CSR-DIW CONTINUOUS AWARD 2022 under the project to promote industrial plants to be socially and community sustainably responsible organized by the Department of Industrial Works, Ministry of Industry. The company is committed to conducting business under corporate governance with importance and responsibility to personnel to be in line with CSR-DIW project standards of the Department of Industrial Works, which encourages industrial enterprises to carry out work that demonstrates social responsibility and develops sustainable coexistence between the industry and the community. It has also participated in the promotion and development of communities, including occupational health and environment, education, and quality of life development through projects concretely.



The company has received green industry level 3 - Green System Certification from the Department of Industrial Works, which ensures that the company has systematic environmental management. Monitoring, evaluation, and review for continuous improvement, receiving recognized environmental awards and certifications related to resource and environmental conservation.

### Spending of the Raised Fund

The Company has not issued any financial instruments in raising funds from the public through the system created by the Stock Exchange of Thailand in 2022.

### The 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 used for packing hair color products, pharmaceuticals, creams, adhesives, etc., aluminium rigid wall containers, aluminium monobloc aerosol cans, aluminium bottles, tablet tubes, felt pen bodies, etc. and aluminium slugs for the production of such packaging containers and sold to customers for the production of such products. The company's products can be classified as follows:

#### Aluminium Collapsible Tubes

which contain hair colors, pharmaceuticals, creams, adhesives, etc.



#### Aluminium Monobloc Aerosol Cans

which contain cosmetics, hair care products, perfumes, deodorants, air fresheners, home use products, etc.



#### Aluminium Rigid Wall Containers

which contain tablet tubes, felt pen bodies, talc cans, etc.



#### Aluminium bottles

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



### Aluminium Slugs (Blanks), Aluminium pellets, coils strips, plates, and 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 has no policy to infringe on the intellectual property of others.



### Income structure

In 2022, the Company has total revenue of 6,928 MB, considering the type of product, it was found that 51.04% of the total revenue came from the sales of aluminum cans and tubes, which increased by 14.3% compared to the previous year, and 48.96% of total revenue came from the sales of aluminum slugs, which increased by 29.5% compared to the previous year. However, once focusing on the revenue by region, 21.3% of the total revenue comes from domestic sales which increased up about 11.1% compared to the previous year and 78.7% of total revenue came from exports, which increased by 24.3% compared to the previous year.

### Revenue Structure for the Past 3 years is as follows:

Value Unit: MB	2022		2021		2020	
	Value	%	Value	%	Value	%
Aluminium cans and tubes	3,536	51.04	3,093	54.14	2,843	57.68
Aluminium slug	3,392	48.96	2,620	45.86	2,085	42.32
<b>Total</b>	<b>6,928</b>	<b>100.00</b>	<b>5,713</b>	<b>100.00</b>	<b>4,928</b>	<b>100.00</b>

In this regard, the Company has set the Company's marketing strategy in 2022 as follows:

#### 1. Quality of Products

The Company has a clear policy in operating a 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, and be safe and suitable for use. Certifications received:

- ISO 9001:2015
- ISO 22000:2018 and ISO/TS 22002-4:2013
- Good Hygiene Practices Standards (GHP)

#### 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, 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 materials, 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 year 2023, Alucon has development projects as follows:

- We have been focusing on sustainable operation. We are attempting to obtain low-carbon materials, including recycled materials, as well as to develop aluminum alloy slugs for production of lightweight cans.
- We have the environment committee that studies eco-friendly practices for future operations and business sustainability.
- In addition to tree planting, we have been installing the solar panel at Production Building 6 and 7, which will be operational in July of this year.
- Visual camera inspecting systems were applied more with the automatic packing systems which are beneficial not only for reducing the number of employees per production line, but also for achieving the consistent product quality.
- We have been investing in Slugs production plant to improve its quality and efficiency
- We have been developing new bottle-shaped cans in order to expand into new markets.
- We will test 7 days/ week operation instead of 6 days/ week operation for some production lines. This produces output at a lower cost of production.
- We have been training our employees for multi-tasking skills. This produces more output with less people.

#### 5. Customer Satisfaction

The Company has continuously conducted customer satisfaction surveys to understand the needs of customers in order to develop products and services that meet customer needs. In 2022, a survey found that customers are more than 90% 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 2022, the Company has the following machinery and equipment:

**11**

### aluminium slug 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 a 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, latex machine, etc.

**38**

### Plastic Injection Machines:

with modern technology for producing caps for the Company's packaging containers.

**2**

### aluminium 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, and necking machine.

**2**

### Tool Rooms:

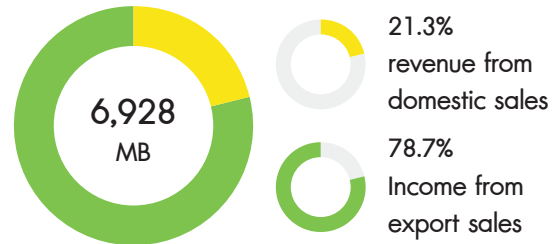
to produce tools and spare parts and to develop tools and equipment for internal operation.

The total number of slugs produced in 2022 was 36,553 tons whereas the total number of aluminum tubes, aluminium cans and aluminium rigid wall containers in 2022 was equal to 746 million pieces.

## Proportion of product domestic and export sales

### 1. Sales Volume of Products

In 2022, the company has a total revenue of 6,928 MB, divided into revenue from domestic sales of 1,476 MB, or 21.3% of the company's total revenue, and 5,452 MB from export sales, representing 78.7% of the total revenue of the company.



Year	Domestic Sales	Export Sales	Total
2020 (%)	1,285 26.1	3,643 73.9	4,928 100.00
2021 (%)	1,328 23.2	4,385 76.8	5,713 100.00
2022 (%)	1,476 21.3	5,452 78.7	6,928 100.00

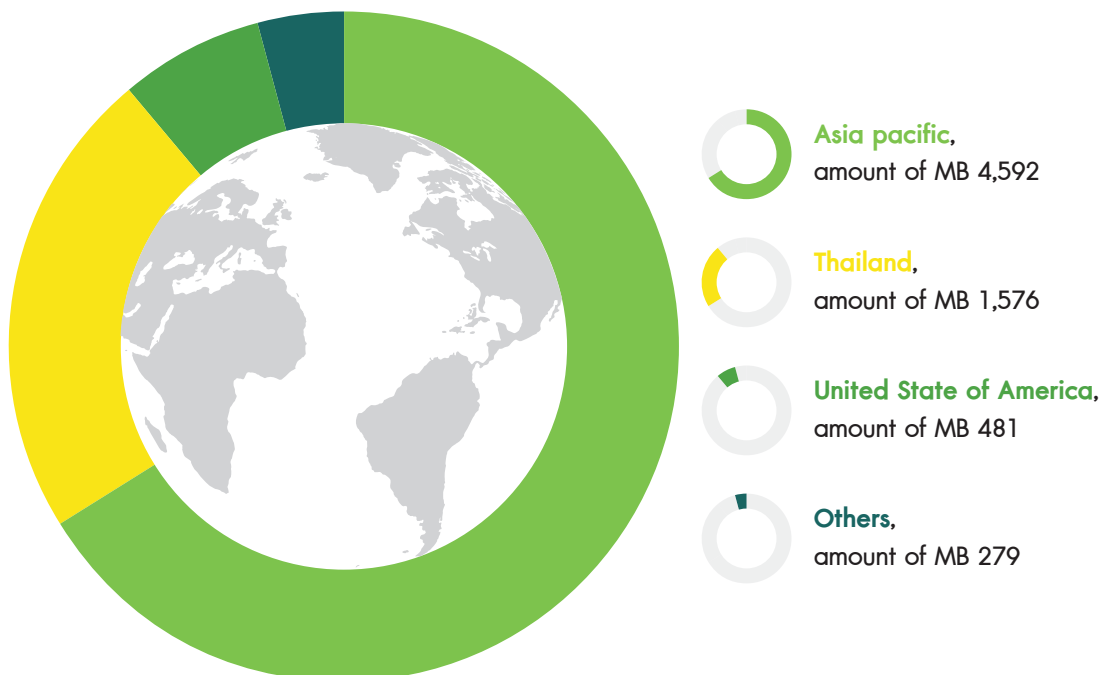
Domestic customers accounted for 21.3% of total sales. The volume of domestic sales in 2022 increased from 2021 by about 11.1%. Export sales were 78.7% of total sales. The volume of export sales in 2022 increased from 2021 by about 24.3%, as the pandemic situation began to unfold and the lockdown was released, allowing businesses to resume operations.

### 2. Growth Rate

Sales in 2022 increased from 2021 by about 21.3%, mainly due to the pandemic situation beginning to unfold, allowing the business to resume operations and less work from home. Consumers are starting to come back to shop more. The deodorant began to recover. Hair salons have begun to open to customers, causing hair color tubes both in Thailand and abroad to be sold more; while, the price of aluminum increased significantly in the first half of the year, leading to an increase in sales of aluminium slugs.

### 3. Sales by Regions:

Sales revenue in 2022 can be separated according to the geographical location as follows:



### 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, the effect of the Russia-Ukraine war, as well as the fluctuations in foreign exchange rates, in 2022 the Company was able to produce 746 million pieces, while global production exceeded 22 billion pieces. Even though the Company can grow up to be the largest manufacturer in Asia, 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, and 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 the shipping costs to overseas customers, it was found to be a negative factor from the much higher shipping costs at the beginning of the year, causing some customers to delay orders, and it's one of the obstacles to the company's exports, but because of the company's capacity focused on a variety of sizes. This means that these cost savings, especially small to medium-sized ones, although the transportation situation began to unravel in the third quarter; however, the problem of currency fluctuations and the risks posed by exchange rates, both of these factors truly affect the company's competitiveness.

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

### Capacity and Production Quantity

Products	2022		2021		2020	
	Total Capacity (Million pieces)	Capacity Utilization (%)	Total Capacity (Million pieces)	Capacity Utilization (%)	Total Capacity (Million pieces)	Capacity Utilization (%)
Aluminium Cans and Tubes	1,191	63	1,191	59	1,209	54
Aluminium Slugs	45,000	81	45,000	80	45,000	79

### Raw Materials 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 checking 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 the 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 is adjusted all the time and quickly. The Company has planned to purchase the raw materials in advance and stock raw materials to ensure sufficient production; however, the price of aluminum fluctuates, which is one of the main factors in the 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 the production of finished goods, consisting of land, machinery and equipment, buildings and structures, office equipment and vehicles as of the fiscal period ended 31<sup>st</sup> December 2022 are as follows:

Details	Type of Ownership	Book Values (MB)
1. Land and improvements	Owned by Alucon	236.77
2. Buildings and improvements	Owned by Alucon	721.15
3. Machines and equipment	Owned by Alucon	1,406.18
4. Furnishing, fixtures and office equipment	Owned by Alucon	1.66
5. Vehicles	Owned by Alucon	2.15
6. Spare parts for machines	Owned by Alucon	84.15
7. Assets between construction	Owned by Alucon	31.06

### 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 are 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 2022, 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
5. Mr. Harkishin Tanwani	1,200,000	2.78
6. Mrs. Pramila Rochsilthum	952,375	2.21
7. Mrs. Nalinrat Uer-anant	424,500	0.98
8. Mr. Rameth Rochsilthum	360,475	0.83
9. Mrs. Pariti K-manee	318,000	0.74
10. Ms. Naline Mahtani	259,975	0.60

- Remark :**
1. 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.
  2. Shareholding ratio as of 30<sup>th</sup> December 2022  
 Thai shareholders: 937 shareholders holding 9,319,832 shares equivalent to 21.57%.  
 Foreign shareholders: 25 shareholders holding 33,880,154 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), the distribution of the dividend out of a source other than the profit is not permitted. In case the Company still registers an accumulated loss, no distribution of dividends is permitted. The 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 the shareholders' resolution or the Board of Directors' resolution was passed as relevant. Notice of distribution of dividends must be sent to all shareholders and published in a newspaper.

The dividend payment of the Company between 2017 and 2021 are illustrated below:

Year	Capital Stock (1000)	Net Profit (1000)	Dividend: (Baht/share)	Dividend: (Stock/share)	Total Dividend (Baht/share)	Percent of net profit
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
2021	43,200	704,218	10.00	-	10.00	61.34

## 2. Risk Management

The Company has appointed the Risk Management Committee is consisted of at least 2 independent directors and 1 executive director, to promote organization-wide risk management and encouraged it as part of the Company's culture so that the stakeholders of the organization have reasonable confidence 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 the ability to drive well.

04

To record risk management procedures regularly, to monitor and to inspect the effectiveness of the risk management process so that there would be continuous improvement and able to manage the risks of the organization appropriately and in a timely manner.

03

To determine appropriate control activities and develop a risk management plan to reduce the likelihood of occurrence and mitigate potential impacts or risks by ensuring that the risk is managed to an acceptable level and set the date on which each plan will be completed.



01

To identify risks comprehensively and in a timely manner by considering both internal and external environments being affected the achievement of the objectives of Company.

02

To assess the level of risk according to the established criteria in terms of likelihood and the impact on the achievement of the organization's objectives, if such risks arise, in order to prioritize the risks and determine how to manage them.

The Company has risks in its operations as follows:

### 1. Risk on Marketing

As for the Alucon, Sales revenue for 2022 increased from the previous year, starting from the first quarter of the year, mainly driven by the weakening of the baht and the significantly higher prices of staple raw materials in the company's history. As a result, the sale price is adjusted to be higher according to the higher costs. Revenues have increased in virtually all categories of aluminum cans and tubes, including the sale of aluminum slugs, which are largely price-settled, based on the rise and fall in aluminum prices and USD.



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

- Manufacturing Aluminium Collapsible Tubes: for hair colors, pharmaceutical creams, ointments, adhesives, etc.
- Aluminium Monobloc Aerosol Cans: for cosmetics, hair care products, perfumes, deodorants, air fresheners, home use products, 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, etc.
- Aluminium Slugs (Blanks), coils strips, plates, and alloys: for the production of aluminium tubes and cans and alloy cans

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

**Risk Management:** The Company continues to focus on producing quality products that meet the standards set by the client, and maximize customer satisfaction. This focuses on minimizing waste rates, delivering products promptly at competitive prices, developing products to use fewer raw materials, and developing products with customers to meet the needs of the global market in terms of sustainable development, to reduce costs. Increase product diversity, and proactively market.

## 2. Raw Material Risk

In 2022, commodity prices fluctuate greatly. In the first quarter to the mid-year, it was affected by the Russo-Ukrainian War. It affects all industries around the world and also this year, Chinese authorities announced a ZERO COVID-19 policy from March 2022, and china's mining and heavy industry have slowed down in several provinces.

As the world's top producer of aluminum, the price of this metal in the world market has risen to 3,183.50 USD (about 104,000 THB) per ton. It was the highest in 14 years, with the highest price range in March and a gradual decline in the second half of the year.

In addition to the high increase in aluminium prices this year, there is also a factor that has caused the cost of raw materials to rise, namely the price of oil, especially those affecting the production line, namely the price of energy. Electricity and gas costs continue to rise throughout the year. These key factors have resulted in significant increases in production costs.

However, the company also has a policy of focusing on environmentally friendly production. In addition to using hydro aluminium, which is produced from hydroelectric energy, in 2022, the company plans to experiment with the use of PCR (Posted Consumer Recycle) aluminum alongside coal-fired aluminum and natural gas, and there's also the use of electricity from solar panels.

**Risk Management:** When aluminum is priced and starts to rise, the companies with good financial liquidity are distributed with multiple vendors and can negotiate premiums at different periods. Long-term fixed-price purchases are made and large quantities are bought to reserve them in case of higher price trends, as well as to find new sources that produce aluminum from a variety of energy that is environmentally friendly to meet customer demand.



### 3. Foreign Currency Risk

Due to the 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 can 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 to pay for goods and repay loans. Taking advantage of the equilibrium saves costs on foreign currency purchases. In addition, there are also sales in other currencies such as Australian Dollar, and Hong Kong Dollar, to spread the risk as well.

### 4. Credit Risk

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

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

of domestic customers. There is also a prepayment for some time at the start of the business. Large customers can rely on their trustworthiness for a while. It is vital to consider the company's reputation while dealing with overseas and international customers. Before the transaction can proceed, a contract must be signed. However, if they are general customers, the payment condition by letter of credit by a reliable bank shall be determined. The period for payment, payment term, or partial payment may be determined differently on the 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 plates or Plastic. Laminate is also being utilized to replace aluminium tubes. Aluminium will likely make a comeback. This is because laminate tubes are not environmentally friendly and decompose harder and longer than aluminum.

**Risk Management:** To produce quality products to ensure customer satisfaction, improve standards and production methods more efficiently, and focus on reducing waste in the production process. Low-cost production has been developed in terms of using fewer raw materials, in a type of lighter weight but same efficiency, such as manufacturing with alloy slugs, aluminum alloy cans, etc. Last, to improve price competitiveness and set goals to add more products.

### 6. Risk from Labor Cost

In 2022, there was 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, develop personnel with multitasking skills in production, and work interchangeably. More modern equipment and techniques are being used, etc.

### 3. Driving Business towards the Sustainable Development Goals

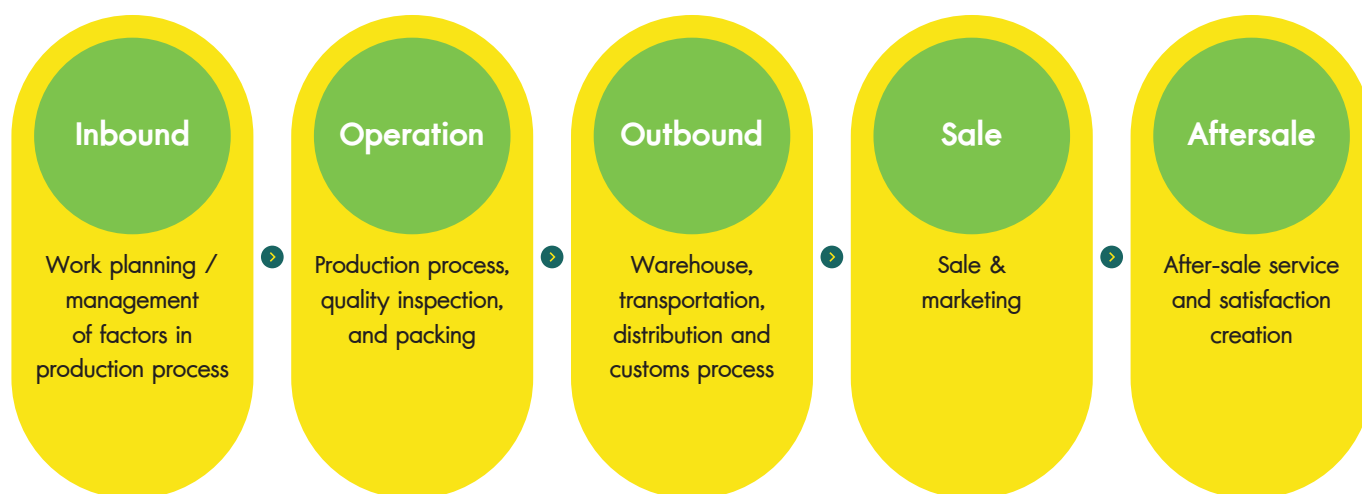
#### 1 Policy and Target for Sustainable Development

The Company adheres to sustainable development as a guideline for conducting business based on economic, social, and environmental responsibilities under good governance principles to create shared value for stakeholders and good safety and hygiene standards. This also promotes sustainable community co-existence, including the maintenance and conservation of natural resources and the environment.

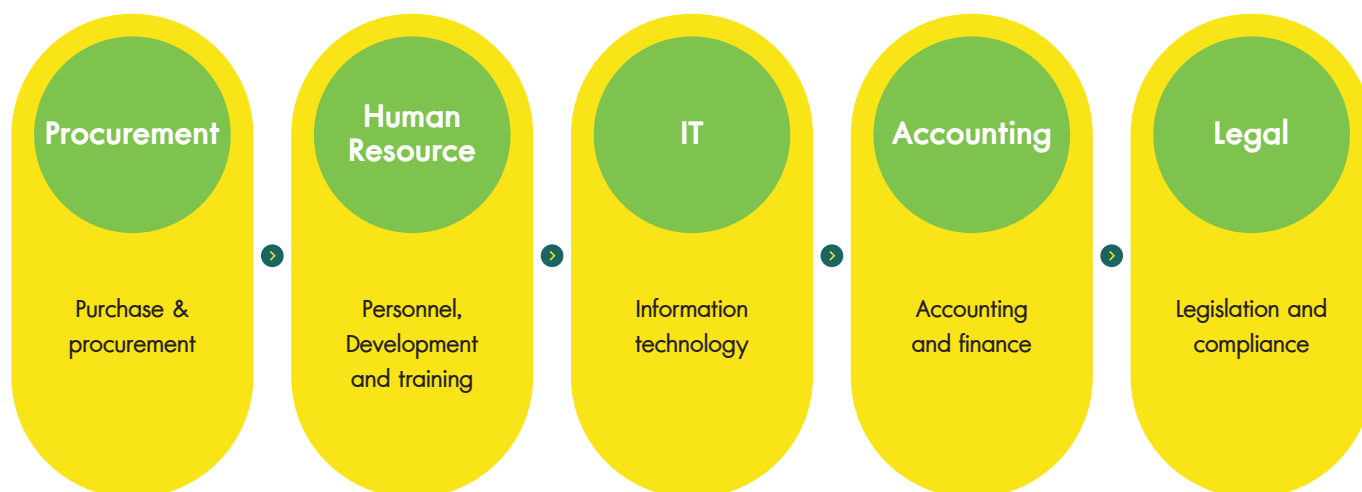
#### 2 Management of impacts on stakeholders in the business value chain

##### 1. Business value chain

##### 1. Main Value Chain



##### 2. Supporting Value Chain



2 Analysis of Stakeholders in Business Value Chain  
The company considers the following key issues:

Stakeholders	Participation Channel	Expectation	Operation Guidelines
Employee	<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 Relations</li> </ul>	<ul style="list-style-type: none"> <li>● Good return on investment</li> <li>● Good corporate governance</li> <li>● Sufficient disclosure of 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>
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>



Stakeholders	Participation Channel	Expectation	Operation Guidelines
Social/ Community	<ul style="list-style-type: none"> <li>Participation with the communities and listening 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 the production of good and high-quality products and realizing 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 practiced and continuously develop under the Company's policy.

##### 2. Practices

The Company has guidelines in accordance with the environmental policy as follows:

- To promote and strictly comply with laws, regulations, and other relevant environmental regulations.
- To establish plans, management, and monitoring to prevent problems that will affect employees, communities, and the environment.
- To promote improvement and develop environmental management system operations on a regular and continuous basis.
- To promote and support sufficient resources for the implementation of the environmental management system, including personnel and budgets.
- The Company will strive to prevent pollution and use energy efficiency, also use energy-saving and environmentally friendly technology.
- To train and build environmental awareness for employees at all levels, as well as to support and encourage everyone to participate.

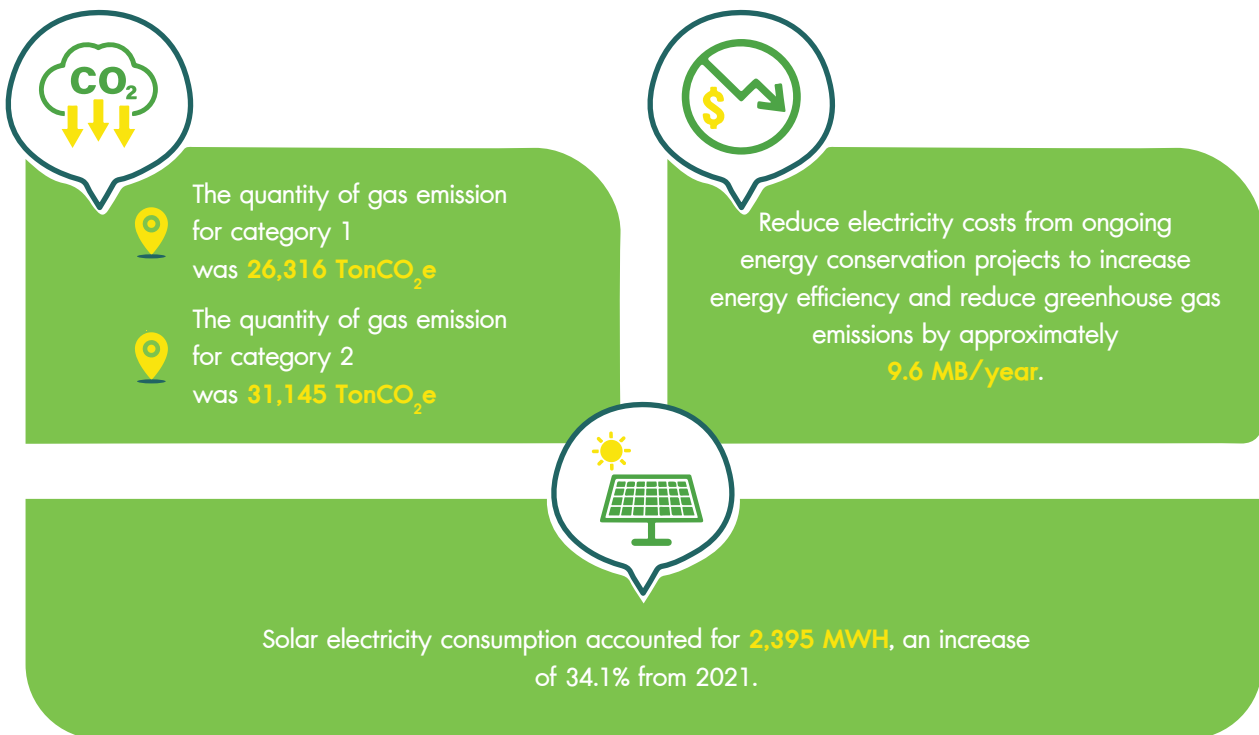
#### 2. Environmental operating results

In 2022, 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 the sector of energy, water, waste, scrap, and pollution are in accordance with the laws. In 2022, the Company has begun to reduce greenhouse gas emissions by sourcing some raw materials using clean energy in the production process. Also, there is the environmental working committee to work together on the protection of the ecosystem, in order to reduce global warming and continually recover the natural environment.

Alucon Public Company Limited has proceeded with the Carbon Footprint for Organization (CFO) to assess the number of greenhouse gases emitted by the organization in accordance with the guidelines of the Thailand Greenhouse Gas Management Organization and energy reduction project. The details can be illustrated as follows:



#### 4

#### Social sustainability management

##### 1. Social policy and guidelines

The Company is committed to producing 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 producing 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 a determination to develop and improve to create social responsibility basis continuously and sustainably.

### 1.1 Human right Policy

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

### 1.2 Quality Control

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

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

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

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

1. It is assumed that responsibility for safety in the workplace is the first priority in the performance of all employees.
2. Alucon shall continue to promote and encourage the improvement of working conditions and the 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 good role models in arranging a safe workplace and environment in order to motivate employees to follow.

5. Employees must be conscious of the safety in the 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 the workplace and a good surrounding environment.
8. Employees are eligible to propose their ideas or plans to improve the safety conditions of the working area.
9. The Company shall comply with safety laws and take steps to prevent incidents, accidents, and occupational illnesses.

### 1.4 Social and Community Responsibility Policy

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

1. Alucon regards the responsibility to society as 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 so the local community can be lived with each other happily.
3. Alucon shall continue promoting and supporting the employees' activities engaged with the local community including awareness.
4. All levels of management must act as good role models in encouraging good responsibilities to society on environmental protection and participation in 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 the management of sustainability in social aspects, namely employees, customers, safety, and social and community aspects. In the previous year, the Company has no complaints 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 the Society of Entrepreneurs (CSR-DIW Continues 2022), which is a project to promote industrial factories to have a social responsibility and sustainable community which received an award from the said project from the Department of Industrial Works on 24<sup>th</sup> August 2022.



### 2.1 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 discrimination.
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 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.



## 2.2 Employee Management

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

### 1. Number of Employees

As of 31<sup>st</sup> December 2022, the Company has a total of 1,160 employees, which can be categorized on each localization as follows:

Area	2022	2021	2020
Office	141	138	150
AMC	22	24	35
CPS	757	781	804
SPS	240	254	266
<b>Total</b>	<b>1,160</b>	<b>1,197</b>	<b>1,255</b>

The compensation of employees in 2022, being consists of salaries, bonuses, employee savings, and others, totaling 717 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:

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 grades

### 3. Labor Disputes and Resignation Rates

As of 31<sup>st</sup> December 2022, 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 2020 - 2022 as follows:

Year	Number of Employee as of the end of year	New	Resigned	% Turnover
2022	1,160	45	82	5.8
2021	1,197	8	66	5.3
2020	1,255	25	169	12.1

### 4. Employee Recruitment

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

### 5. Employee Training and Development

The Company emphasizes personnel development because the Company believes that personnel is an 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, and executives safety.
- Specific courses: Training related to the 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 2022, the Company has organized training courses for employees in a total of 109 courses, totaling 33,222 hours, representing the average number of hours of training for employees per year as 29.27 hours per person per year including the budget for training expenses in total 341,116.59 Baht.

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

	2022	2021	2020
No. of Course	109	47	55
No. of Attendants (person)	1,135	1,206	1,274
Average of training hours per person (hours)	29.27	23.21	23.28

#### 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 the 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 with the performance of each employee's duties, the employees have the 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 of a 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 effects including creating an atmosphere of workplace to be orderliness by implementing 5S policies effectively.

The Company provides measures to prevent the spread of the 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 of success in good management, the Company must have good recommendations and control with an effective and transparent system. Thus, the Company uses 8 quality management principles as the basis of the quality management system.



In 2000, 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

The Company has appointed a safety committee and then appoint safety officers at the work-safety level, executive level, supervisor level, and professional level to perform the duties of supervision, inspection, guideline, suggestion and take any action related to on-site and off-site safety management in accordance with Act on Safety, Occupational Health and Work Environment.

In 2022, the Company received the Zero Accident Award from the Institute of the Promotion of Safety, Occupational Health and Work Environment (Public Organization).





ข้อมูลความปลอดภัยในสถานประกอบการ  
ตามมาตรฐานความปลอดภัยตามกฎกระทรวง ฉบับที่ 410 (2561)

ลำดับ	ชื่อหน่วยงาน	จำนวนลูกจ้าง	วันที่	จำนวน ผู้บาดเจ็บ	จำนวนผู้ เสียชีวิต	ระดับ
001	บริษัท ปูนซิเมนต์ไทย จำกัด (มหาชน)	ปูนซีเมนต์ไทย จำกัด (มหาชน)	พฤษภาคม	1	0	ทอง
002	บริษัท ปูนซิเมนต์ไทย จำกัด (มหาชน)	ปูนซีเมนต์ไทย จำกัด (มหาชน)	พฤษภาคม	1	0	ทอง
003	บริษัท ปูนซิเมนต์ไทย จำกัด (มหาชน)	ปูนซีเมนต์ไทย จำกัด (มหาชน)	พฤษภาคม	1	0	ทอง
004	บริษัท ปูนซิเมนต์ไทย จำกัด (มหาชน)	ปูนซีเมนต์ไทย จำกัด (มหาชน)	พฤษภาคม	1	0	ทอง
005	บริษัท ปูนซิเมนต์ไทย จำกัด (มหาชน)	ปูนซีเมนต์ไทย จำกัด (มหาชน)	พฤษภาคม	1	0	ทอง
006	บริษัท ปูนซิเมนต์ไทย จำกัด (มหาชน)	ปูนซีเมนต์ไทย จำกัด (มหาชน)	พฤษภาคม	1	0	ทอง
007	บริษัท ปูนซิเมนต์ไทย จำกัด (มหาชน)	ปูนซีเมนต์ไทย จำกัด (มหาชน)	พฤษภาคม	1	0	ทอง
008	บริษัท ปูนซิเมนต์ไทย จำกัด (มหาชน)	ปูนซีเมนต์ไทย จำกัด (มหาชน)	พฤษภาคม	1	0	ทอง
009	บริษัท ปูนซิเมนต์ไทย จำกัด (มหาชน)	ปูนซีเมนต์ไทย จำกัด (มหาชน)	พฤษภาคม	1	0	ทอง
010	บริษัท ปูนซิเมนต์ไทย จำกัด (มหาชน)	ปูนซีเมนต์ไทย จำกัด (มหาชน)	พฤษภาคม	1	0	ทอง
011	บริษัท ปูนซิเมนต์ไทย จำกัด (มหาชน)	ปูนซีเมนต์ไทย จำกัด (มหาชน)	พฤษภาคม	1	0	ทอง
012	บริษัท ปูนซิเมนต์ไทย จำกัด (มหาชน)	ปูนซีเมนต์ไทย จำกัด (มหาชน)	พฤษภาคม	1	0	ทอง
013	บริษัท ปูนซิเมนต์ไทย จำกัด (มหาชน)	ปูนซีเมนต์ไทย จำกัด (มหาชน)	พฤษภาคม	1	0	ทอง
014	บริษัท ปูนซิเมนต์ไทย จำกัด (มหาชน)	ปูนซีเมนต์ไทย จำกัด (มหาชน)	พฤษภาคม	1	0	ทอง
015	บริษัท ปูนซิเมนต์ไทย จำกัด (มหาชน)	ปูนซีเมนต์ไทย จำกัด (มหาชน)	พฤษภาคม	1	0	ทอง
016	บริษัท ปูนซิเมนต์ไทย จำกัด (มหาชน)	ปูนซีเมนต์ไทย จำกัด (มหาชน)	พฤษภาคม	1	0	ทอง
017	บริษัท ปูนซิเมนต์ไทย จำกัด (มหาชน)	ปูนซีเมนต์ไทย จำกัด (มหาชน)	พฤษภาคม	1	0	ทอง
018	บริษัท ปูนซิเมนต์ไทย จำกัด (มหาชน)	ปูนซีเมนต์ไทย จำกัด (มหาชน)	พฤษภาคม	1	0	ทอง
019	บริษัท ปูนซิเมนต์ไทย จำกัด (มหาชน)	ปูนซีเมนต์ไทย จำกัด (มหาชน)	พฤษภาคม	1	0	ทอง
020	บริษัท ปูนซิเมนต์ไทย จำกัด (มหาชน)	ปูนซีเมนต์ไทย จำกัด (มหาชน)	พฤษภาคม	1	0	ทอง

In addition, the Company has organized various safety-related activities for employees, such as the creation of good awareness among employees, training on working safety, arranging campaigns about consciousness on safety, and Safety Talk.



#### Safety Riding Activity



#### Activities supporting for good health



In 2022, there were accidents at work 2 times with 2 employees receiving 20 days of work break.



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

### 1 Operational overview and significantly changed

#### 1.1 General Overview

The company was started by Hartmuth Wilhelm Schneider in 1961 and later in 1995, there were joined by 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 as 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, 2022 The Company's operating results are summarized as follows:

- Total revenue increased 20.6% from 5,972 MB to 7,202 MB
- Net profit after tax decreased 6.4% from 704 MB to 659 MB
- Production of Aluminium Tubes and Cans increased by 6.4% from 701 million pieces to 746 million pieces
- Production of Aluminium Slug increased 2% from 35,839 tons to 36,553 tons

The Company has revenue structure as below:

	2022	2021	Change %
Tube and Cans	3,536.1	3,092.9	14.3
Slug	3,392.2	2,619.7	29.5
<b>Total</b>	<b>6,928.3</b>	<b>5,712.6</b>	<b>21.3</b>

Total revenue in 2022 increased by 20.6%, while net profit after tax decreased by 6.4% mainly due to higher LME prices in line with the global market and higher energy prices.

#### 1.2 Economic and Industrial conditions affecting operations

The overall picture of the Thai economy in 2022 has a gradual recovery direction from 2021, especially in the tourism sector, which tends to continue to recover and is an important engine for economic recovery. The Office of the National Economic and Social Development Council (NESDB) reported that the Thai economy in 2022 grew by 2.6 percent, accelerating from 1.5 percent in 2021, in line with the recovery of the tourism sector. and the continuous improvement in domestic demand in both private consumption and investment.

The uncontrolled factor is that the Thai Baht fluctuates. Baht depreciation against US dollar 9.4% from an average of 34.85 compared to 2021 average of 31.85 Baht per US dollar and Baht appreciation against JPY 8.2% from an average of 0.2638 compared to 2021 average of 0.2874 Baht per JPY had increased export sales 3%.

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



### 1.3 Policies, strategies, or business decisions

The company improves standards and production methods that increase productivity, and 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 the same quality, such as produced from alloy slug, alloy aluminum can, etc. Increase the proportion of raw materials that come from the recycling process. To support the global market demand for more environmentally friendly make it more competitive and increase the variety of products and energy-saving equipment there is more renewable energy using solar panels, which reduces electricity consumption. 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.

For currency fluctuations, the 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.

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

No details

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

In 2022, the Company did not disclose any estimates.

### 1.6 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 2022, the Auditor reviewed and approved such financial statements without observing or expressing any significant opinions that had an impact on the Business.

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

In 2022, 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 2022, the Company has made no significant changes to its accounting policies.

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

In 2022, there are no items that do not occur regularly.

## 2

### Performance and profitability

#### 2.1 Revenue from Sales

The Sales for the year 2022 was 6,928.3 MB increased by 1,215.7 MB from 5,712.6 MB compared with the same period in 2021 or 21.3% increase was divided into sales revenues by segment as follows:

	2022		2021		Change	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>Can and Tube</b>	<b>3,536.1</b>	<b>51.0</b>	<b>3,092.9</b>	<b>54.1</b>	<b>443.2</b>	<b>14.3</b>
● Export sales	2,062.9	29.8	1,768.1	31.0	294.8	16.7
● Domestic sales	1,473.2	21.3	1,324.8	23.2	148.4	11.2
<b>Slug</b>	<b>3,392.2</b>	<b>49.0</b>	<b>2,619.7</b>	<b>45.9</b>	<b>772.5</b>	<b>29.5</b>
● Export sales	3,388.8	48.9	2,617.1	45.8	771.7	29.5
● Domestic sales	3.4	0.0	2.6	0.0	0.8	30.8
<b>Total sales</b>	<b>6,928.3</b>	<b>100.0</b>	<b>5,712.6</b>	<b>100.0</b>	<b>1,215.7</b>	<b>21.3</b>

Sales increased by 1,215.7 MB, and sales of aluminum cans and tubes increased by 443.2 MB, or 14.3%, with an increase in export sales of 294.8 MB, or 16.7% increase in domestic sales by 148.4 MB, or 11.2%. Sales of Slug increased by 772.5 MB, or 29.5%, mainly from exports to the country. Japan, India, Australia, UAE (Dubai), and Malaysia sales prices increased with global market prices.

## 2.2 Other Income

Other Income of 212.7 MB Increased by 45.5 MB. This is mainly due to the increased number of aluminium scraps and the increase in aluminium scrap prices caused by LME prices. Mainly consists of Aluminium Baled scrap which is scrap from the production process sold to other industries for recycling.

## 2.3 Cost of goods sold and gross margin

The Company's Sales revenue for 2022 was 6,928.3 MB or an increase of 21.3% from last year's 5,712.6 MB, the increase in the cost of sales increased by 26.9% from 4,738.6 MB in 2021 to 6,014.8 MB in 2022. The cost of goods sold increased main reason is the price of the main raw material, aluminum Ingot, which has increased by about 31% compared to last year. Natural Gas prices increased about 33% in line with crude oil prices in the world market. In summary, the cost of sales increased by 1,276.2 MB, and gross profit decreased by 60.5 MB or 6.2%.

Unit : Million Baht

	2022		2021		Increased/(Decreased)	
	Amount	%	Amount	%	Amount	%
Revenue from sales of goods	6,928.3	100.0	5,712.6	100.0	1,215.7	21.3
Cost of goods sold	6,014.8	86.8	4,738.6	82.9	1,276.2	26.9
<b>Gross Margin</b>	<b>913.5</b>	<b>13.2</b>	<b>974.0</b>	<b>15.4</b>	<b>(60.5)</b>	<b>(6.2)</b>

## 2.4 Selling and Administrative expenses

In 2022, the Company's total selling and administrative expenses amounted to 391.5 MB, or 5.4% of the total revenue, consisting of selling costs of 254.3 MB, 3.5% of total revenue, and administrative expenses of 137.2 MB was 1.9% of total revenue.

The Company's selling costs increased from 40.2 MB or 18.8% increase, mainly due to increased export freight costs. Administrative expenses decreased from 1.8 MB in the previous year or 1.3%.

Unit : Million Baht

	2022		2021		Increased/(Decreased)	
	Amount	%	Amount	%	Amount	%
<b>Cost of selling and Administrative expenses</b>						
● Selling expenses	254.3	3.5	214.1	3.6	40.2	18.8
● Administrative expenses	137.2	1.9	139.0	2.3	(1.8)	(1.3)
<b>Total</b>	<b>391.5</b>	<b>5.4</b>	<b>353.1</b>	<b>5.9</b>	<b>38.4</b>	<b>10.9</b>

## 2.5 Gain/Loss on the exchange rate

Net foreign exchange gain was 61.4 MB in the year 2022 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 USD.

## 2.6 Finance Cost

In 2022, the company has no financial costs.

## 2.7 Corporate Income Tax

In 2022, the Company had a corporate income tax of 136.6 MB. In 2022, a decrease of 39.9 MB came from profit before tax decreased by 84.7 MB with CIT BOI's privilege of 20.2 MB from the solar roof project.

## 2.8 Net Profit

In 2022, the Company's net profit decreased by 44.8 MB or 6.4% from 704.2 MB to 659.4 MB.

In 2022, profits from the new measurement of defined employee benefits net of income tax were recognized as 12.5 MB. In other comprehensive income, the total comprehensive income for 2022 was 671.9 MB.

## 2.9 Return on Equity

The 2022 shareholder return (ROE) was 10.15%, an increase from 11.25% in 2021, as the company's net profit margin increased by 6.4%.

For the year 2022, the Board of Directors has approved the dividend payment and is to present it to the AGM on 18<sup>th</sup> April 2023 at the rate of Baht 10 per share or at the dividend yield of approximately 5.4% per annum (dividend rate of Baht 10/share price as of 30<sup>th</sup> December 2022, equivalent to Baht 184 per share) and a dividend of 65.51% of net profit and dividend payment on 15<sup>th</sup> May 2023.

## 3

### Asset management capabilities

Unit : Million Baht

Statement of financial position	31-Dec-22		31-Dec-21		Change	
	Million Baht	%	Million Baht	%	Million Baht	%
Cash and cash equivalents	1,263.1	17.2	1,185.3	16.6	77.8	6.6
Trade accounts receivable	1,089.5	14.8	1,133.4	15.9	(43.9)	(3.9)
Inventories	2,337.1	31.8	1,860.6	26.0	476.5	25.6
Refundable value added tax	52.2	0.7	49.9	0.7	2.3	4.6
Other current assets	28.0	0.4	26.2	0.4	1.8	6.9
<b>Total current assets</b>	<b>4,769.9</b>	<b>65.0</b>	<b>4,255.4</b>	<b>59.6</b>	<b>514.5</b>	<b>12.1</b>
Other non-current financial assets	51.5	0.7	51.2	0.7	0.3	0.6
Property, plant and equipment	2,483.1	33.8	2,799.7	39.2	(316.6)	(11.3)
Intangible assets	5.3	0.1	6.2	0.1	(0.9)	(14.5)
Deferred tax assets	29.9	0.4	30.2	0.4	(0.3)	(1.0)
Other non-current assets	0.3	0.0	0.3	0.0	-	-
<b>Total non-current assets</b>	<b>2,570.1</b>	<b>35.0</b>	<b>2,887.6</b>	<b>40.4</b>	<b>(317.5)</b>	<b>(11.0)</b>
<b>Total assets</b>	<b>7,340</b>	<b>100.0</b>	<b>7,143.0</b>	<b>100.0</b>	<b>197.0</b>	<b>2.8</b>

The Company's total assets as of 31<sup>st</sup> December 2022 totaled 7,340 MB. This is up from the end of last year to 197 MB. This is 2.8% detailed compared to the end of last year as follows:

- Cash increased by 77.8 MB. Please refer to the cash flow statement analysis
- Trade account receivables  
Trade account receivables of 1,089.5 MB decreased by 43.9 MB or 3.9%
- Inventory  
Inventories of 2,337.1 MB increased by 476.5 MB. This represented a 25.6% increase, mainly due to an increase in the aluminium ingot in amount. The ratio rate of inventories in 2022 is 2.6 times the same as last year.
- VAT  
VAT is subject to a refund of 52.2 MB. The Company has now approved vat refunds from the Revenue Department in January and February 2023.
- Other non-current financial assets increased by 0.3 MB.
- Property, Plant & Equipment  
Property, Plant, and Equipment amounted to 2,483.1 MB decreased by 316.6 MB. This is because the company has no investment in the new production line. In 2022, the company invested more in machinery and equipment to increase efficiency and improve production systems by 75 MB accumulated depreciation increased by 392 MB.
- Deferred tax assets  
Deferred tax assets amount to 29.9 MB decreased by 0.3 MB due to a decrease in deferred tax assets from the payment of employee benefit obligations.

## 4

## Liquidity and capital adequacy

## 4.1 Source and uses of funds

Unit : Million Baht

	31-Dec-22	31-Dec-21
Net cash from operating activities	581.4	(60.8)
Net cash used in investing activities	(71.6)	552.3
Net cash used in financing activities	(432.0)	(432.0)
Net increase in cash and cash equivalents	77.8	59.5
Cash and cash equivalents at 1 January	1,185.3	1,125.8
Cash and cash equivalents at 31 December	1,263.1	1,185.3

Cash flows from operating activities of 581.4 MB, net profit of 659.4 MB, add back non-cash expenses of 585 MB. The decrease in cash flow was mainly due to an increase in trade receivables of 469.7 MB. Account payable decreased by 41.9 MB payment of corporate income tax by 132.8 MB Employee benefit payment by 26.1 MB.

Cash flow paid from investment activities amounted to 71.6 MB, mainly from purchasing machinery and other equipment for production-enhancing.

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

In summary, the Company had a net cash increase of 77.8 MB, combined with cash at the beginning of the period of 1,185.3 MB. As a result, cash at the end of the period was 1,263.1 MB.

#### 4.2 Capital structure

The Company has increased its liquidity ratio from 9.84 times to 12.53 times and the debt-to-equity rate is 0.13 and 0.14 times by 2021 demonstrating strong financial structure and careful caution in financial management and being able to maintain the debt-to-equity ratio at a satisfactory level.

#### 4.3 Investment expenditures

In 2022, the Company paid approximately 75 MB in machinery and equipment to increase efficiency and capacity, and intangible assets.

#### 4.4 Liability

The Company has total current liabilities of 380.6 MB. This decreased from 51.8 MB from the previous year. This is mainly due to the decrease in trade creditors. The Company has no long-term debt from the loan, and the Company is not liable for liabilities from short-term loans from a related company.

### 5

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

Unit : Million Baht

	2022	Description
<b>Capital commitments</b>		
Contracted but not provided for :		
Factory, machinery and equipment	46.6	Contract purchase machinery and equipment
	46.6	
<b>Other commitments</b>		
Purchase orders accepted by suppliers		
● Within one year	1,229.6	Order aluminium ingot 15,000 ton delivery year
● After one year to not over five year	-	2022-2023
	1,229.6	
● Letter of credit	-	Purchase machinery
● Bank guarantees	22.5	To guarantee electricity consumption
<b>Total</b>	<b>1,252.1</b>	

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

**6.1 Main Raw Material** The price of aluminium ingot in the first quarter of 2022 continued to rise from the end of 2021 due to the Invasion of Russia over Ukraine that began to develop in February and the Chinese government strictly maintained a zero COVID policy. As a result, prices of energy and almost all commodities rose for fear that this state of war would cause a shortage of these goods.

Aluminium prices have weakened in the second quarter since mid-April, and then fall sharply in the third quarter and continue until the end of the fourth quarter due to concerns about the global economic slowdown and the issue of global economic slowdown. Unresolved International Conflicts together with the real estate sector crisis in China, as a result, the demand for steel and aluminum decreased. The average aluminum price in 2022 was 2,705 USD per metric ton, an increase of about 9% from the 2021 average price of 2,473 USD.



- 6.2 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 the Natural Hedge policy when depositing and paying foreign currency from a currency bank account; the US Dollar, and 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.
- 6.3 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, replaced by alternative recycled material which is environment-friendly and cheaper. Aluminum aerosol cans may turn into aerosol plastic recycled, aluminum chemical pen might be a plastic chemical pen or can be replaced with a 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 aminate and plastic. This means that aluminum is environmentally friendly, and to replace other things must not consider only the price but also be environmentally conscious. Therefore, the company has improved its standards and production methods that increase efficiency, Reduce waste in the production process.
- 6.4 Skilled workers** There is no impact on production as the company has no increase in investment during 2022, Turnover rate was quite low due to the COVID-19 pandemic situation compared to previous years. Labor cost has been continuously rising because of hiring rate adjustment in the labor market and to build employee morale. To enhance employee working skills and versatile knowledge, the company has continued to arrange technical training courses throughout the year for all employee levels along with improving the strict working procedure of all production lines and more automation devices installed to maintain high production quality.

## 7

### Impact of COVID-19

#### 1 Operation

The situation began to relax with COVID-19 pandemic precautions, many countries are easing COVID-19 restriction measures and international travel resumes. The business started to return to normal. The perfume spray production improved a lot whereas the production of alcohol spray and disinfectant spray tremendously decreased. Customers have ordered more products in the first half of the year. They begin to accumulate and control more stock. However, the factor of currency and economic uncertainty at the end of the year caused our customers to begin controlling stock again.

The competition is still high. Manufacturers in different countries started to return to full production

#### 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

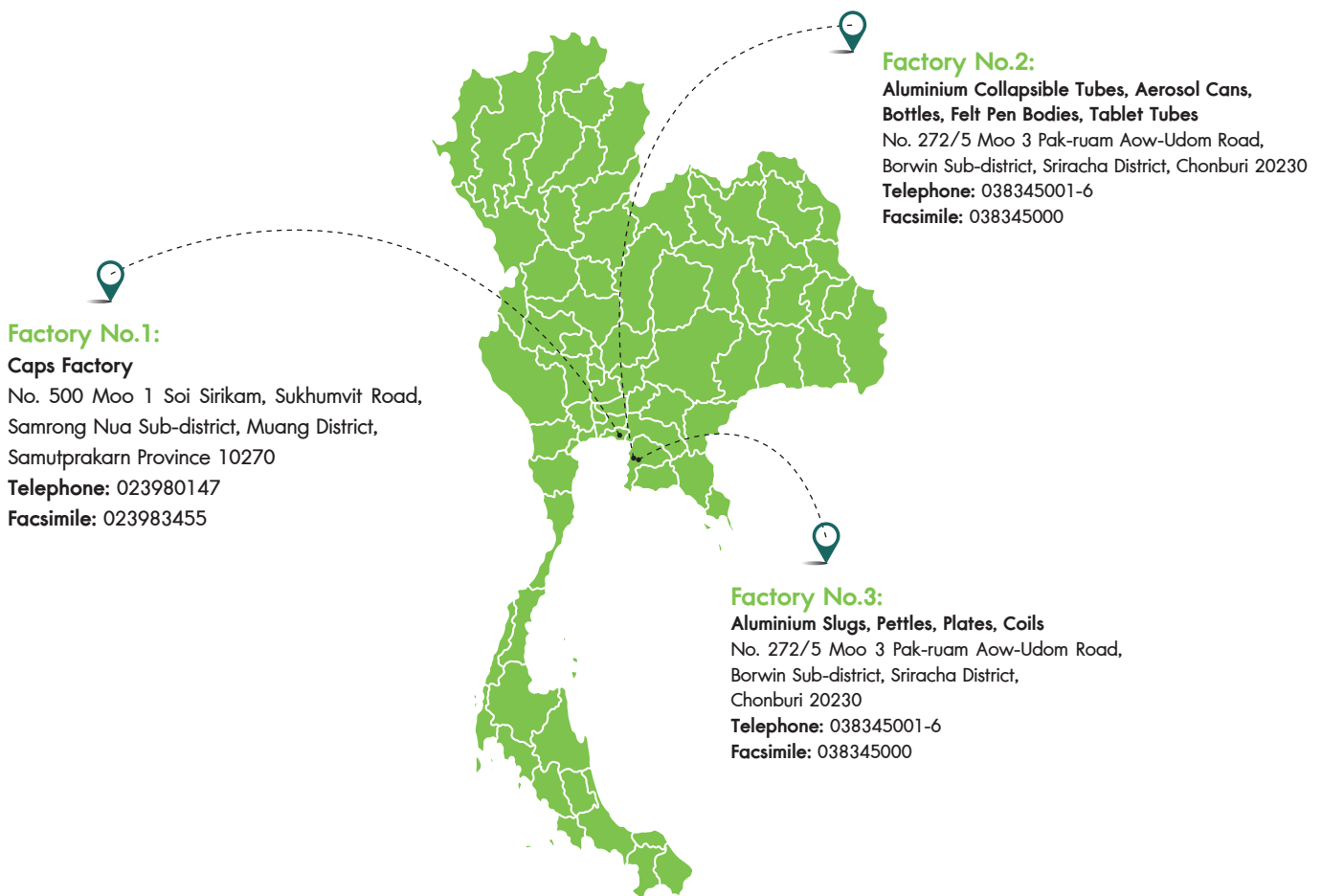
In terms of contractual obligations, the company is not affected.

#### 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

<b>Name of Company</b>	: Alucon Public Company Limited
<b>เลขทะเบียนบริษัท</b>	: Registration No.: 0107537001854
<b>Registered and Head Office</b>	: 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
<b>E-mail</b>	: alucon@alucon.th.com
<b>Website</b>	: www.alucon.th.com



<b>Share Registrar</b>	: Thailand Securities Depository Co., Ltd. No. 93 Rachadapisek Road, Dindaeng Sub-district, Dindaeng District, Bangkok Metropolis 10400 Telephone: 020099999 Facsimile: 020099991
<b>Auditor</b>	: 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 Relationship	: Mrs. Tharnthip Choktumstit
	Telephone: 023980147 ext. 371
	Facsimile: 02398345
CFO	: Mrs. Theerapha Thirapatana
	Telephone: 023980147 ext. 565
	Facsimile: 023983455
Legal Dispute	: On 2022, there is no legal dispute and labor dispute.
Secondary Market	: none
Regularly Contacted	: none
Financial Institution	
(in case there is debt	
debenture issuance)	



# Section 2

## Corporate Governance



## 6. Good Corporate Governance Policy

### 1 Overview of Corporate Governance Policies and Practices

The 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 the Stock Exchange of Thailand and under the guidance of the 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 by the above principles, the 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 in 2017.

In addition to building confidence for shareholders and investors by the above principles, the Board of Directors has established corporate governance guidelines to create competitiveness, excellent operating results for long-term effects, fair and ethical business practices, respect 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 the 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 the 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 must supervise Directors and Executives to perform their obligations responsibly and with accountability, the 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 roles 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 sustainably grows in parallel with society; 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 an 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, the 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 the 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 the authority to approve the 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 duties and have sufficient time to fulfill such duties;
- Board of Directors has the policy to conduct an annual performance assessment of the Board of Directors, sub-committees, and each 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 the 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 the 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 the 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 is 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 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. The 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 about the impact on, and development of resources throughout the value chain, so that the Company's objectives and key targets can be achieved sustainably;
- Board of Directors shall establish an organizational framework to regulate and manage information technology so 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 inappropriately related to the Company;
- 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 so that it be implemented and put into practice accordingly. The Board of Directors shall develop an anti-corruption program or guidelines and support activities that encourage employees to comply with all laws and regulations concerning anti-corruption;
- Board of Directors shall ensure the efficient and proper handling of complaints and whistleblowers. The guidelines for all employees to follow are 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:

- The Board of Directors is responsible for ensuring that the preparation of financial reports and the disclosure of significant information is accurate, adequate, provided promptly, and following 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 the policy to prepare sustainability reports as appropriate;
- Board of Directors shall supervise and ensure that management sets up investor relations to communicate and publicize news and information promptly 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, the 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;

the 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.

- 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., 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 by good corporate governance principles.
- 3.2 Other practices under 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 2022 Project (Corporate Governance Report (CGR)) from the Thai Institute of Directors, the overall average score of 82% was a very good level, better than last year which was 81%.
  2. AGM 2022 Quality Assessment Program (AGM Checklist) from Thai Investors Association, the appraisal result is 98%, the same as last year.

- 3.3 In 2022, the Board of Directors reviewed the principles of the Corporate Governance Code to adjust the business practice on which matters have not yet to comply with and also record the reason why not yet complied with, in the Minutes of the Board of Directors, without disclosure of the reason. The details are as follows.

### Principle 1: Right of Shareholders

The Company emphasizes 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 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 inquiries or comments on the matters that the Board of Directors presents or requests for approval at the shareholders' meeting.

#### Shareholder' Meeting :

- |   |  |
|---|--|
| <p>1.1 Information in the invitation letter for attendance in shareholders' meeting includes the 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, the 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 a proxy of shareholders. A proxy form is a standard form on which comments about vote casting for each agenda item can be written.</p> <p>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 on the Company's webpage at least one month in advance. Such information is 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 before the meeting date.</p> <p>1.3 Shareholders can download various information from the Company's webpage (<a href="http://www.alucon.th.com">www.alucon.th.com</a>) 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 about additional information, they can also send an email to Investor Relation at</p> | <p><a href="mailto:Tharnthip@alucon.th.com">Tharnthip@alucon.th.com</a>.</p> <p>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 the availability of such information on the Company's webpage. In this regard, relevant criteria and procedures are described such as a single shareholder or several 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 the 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.</p> <p>1.5 The Company has the policy to facilitate and support the individual shareholders, juristic shareholders, and investment institutions to attend the meeting with the same treatment.</p> <p>1.6 Shareholders' meeting: The Company held one 2022 Annual General Meeting of Shareholders on 25th April 2022.</p> <ul style="list-style-type: none"> <li>● The meeting date (Tuesday) was not set as 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 an expressway nearby and close to BTS Bangna. The meeting area is 2 km. closed to the head-quarter</li> </ul> |
|---|--|

of the Company. The Meeting was held in a type of physical meeting.

- 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.
- Staff was deployed to facilitate, advise, and open registration service two hours before the meeting as it started at 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 Board of the Directors introduces the member of the Board of Directors, the Audit Committee, the Executive Directors, the Auditor, the Company Secretary, and the IR to the Meeting, and then he 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 persons to monitor the vote counting in case of objection during the meeting and also requested one of the 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 about 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 in which shareholders disagreed or abstained. To observe the 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 director.
- The Company does not have the 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 the 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 recordings of the meeting can always be examined.
- Shareholder's minutes of the meeting show the list of directors who attended or was absent from the meeting. In the 2022 Annual General Meeting of Shareholders, the Chairman of the Company, the Chairperson of the Audit Committee, the Chairperson of the Risk Management Committee, the Managing Director, and the top executives were all presented to meet with and answer any questions from shareholders, offer a 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 abstentions will be recorded in the minutes of the meeting accurately and completely and the meeting report will be publicized on the Company's webpage for shareholders' scrutiny.

1.7 The Company discloses a verifiable shareholding structure clearly and transparently.

1.8 At the Annual General Meeting of Shareholders No. 62 on 25th April 2022, the Company has approved the dividend payment from the operation result of the Company according to the fiscal year ended 31st December 2021, to pay to all shareholders amounting to 431,999,860 Baht.

- 1.9 The Company allows the shareholders to submit questions relating to the agenda of the AGM 2022 in advance between 1st December 2021 – 31st January 2022, by notifying shareholders and announcing rules, and specifying 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 Shareholders

All shareholders, either 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 the shareholders' meeting, the details are accurate and complete, and 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 before 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 the shareholders' meeting with the information for the meeting through its website, both in Thai and English at least 30 days before the meeting so that shareholders have sufficient time to consider all agenda.
- 2.2 The Company arranged the meetings of shareholders by the agenda outlined in the invitation to the 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 and 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 a minority shareholder to propose the nominated person to be elected as the new director. The Board of Directors shall set the principles and practices and publish them on the Company website as well as through the Stock Exchange of Thailand channel.
- 2.6 The Company has minority shareholders who proposed the agenda for the meeting in advance including submitting questions related to the agenda before the meeting by the prescribed procedures. The proposed agenda must not conflict with the following criteria.
  - Matters that are beyond the company's authority
  - Matters that in contrary to the law, rules, and regulations of government agencies and departments monitoring the Company or do not comply with the objectives, articles of association, and resolution of shareholders' meeting.
  - Matters that may cause significant damage to the shareholders as in the whole
  - Matters that have already been implemented by the Company
  - Matters regarding a specific person's or group of person's benefit
  - Matters regarding normal business operation and the claim of the proposed person do not demonstrate a reasonable doubt about the doubtful matter.
  - Matter that is being considered by the Board of Directors that does not need to be on the agenda and show and explain the reason to the shareholder to understand it.



- 2.7 The Company has independent directors at least one-third of the Board of Directors of which must not be less than 3 persons so that it can protect the right of shareholders.
- 2.8 The Company has the policy to prohibit the directors and executives including the employees who are related to the preparation of the inside information, to disclose such inside information to the outside or any person who not involve in such insider information. This is also not allowed such prohibited persons to trade on the securities issued by the company before the financial statement released to the public for 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 the acknowledgment 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 an interest in any agenda must inform their stake on such agenda before the meeting and must record the details in the minutes. In case of conflict of interest, on a significant matter in such ways could make the director cannot give his/her opinion freely, the director must refrain from participating in the meeting only in such agenda.
- 2.12 The company set that the Board of Directors has to consider the connected transaction that may have conflicts of interest. This includes items that are of interest to be accurate and complete in compliance with the laws and regulations of the exchange, including the disclosure of the transaction correctly. This is to ensure that such transactions are reasonable and beneficial to the Company.
- 2.13 The Company favors 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 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 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 a business operation that yields good operating results, stability, growth, and competitiveness by taking into account present and future risk factors to increase shareholder value over the 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 success factor and valuable resource in business operations. We then significantly give priority to employees by providing fairness to every level of employees without discrimination and respecting their rights 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 an opportunity to create working advancement for all employees with equality and see the importance of the potential of employees. So we focus on personnel development, both in the aspect of function and managing quality of life, with the 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 the quality of life and environment in surrounding communities so that the Company's operation will be accepted and can thrive in society sustainably. It can be observed that the Company strictly complies with the 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 systematically deals with environmental management and organizes public donations on an ongoing basis. The Company has arranged the activities joined with the local schools, local governmental agencies, and communities, and there was a public relation to hear and solve the problem that occurred from the community by the Company and also provide the scholarship to a student and support the activities with the local schools.

#### **Customer**

The Company gives priority to its customers, who are an important part to make a success of the Company. We then determine guidelines to build satisfaction and confidence with our customers by presenting quality that is by or higher than the expectations 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 listens to their comments or complaints and brings them to use as a guideline for improving the service and management. In addition, the Company has policies and guidelines to keep the confidentiality of the customers. The Company would not disclose such information to other people or use it to seek benefits for other purposes without prior consent from the information owner unless the Company is required to disclose by law.

#### **Creditor**

The Company emphasizes creating trustworthiness by abiding by our integrity and strictly conforming to the terms and conditions of the contracts made with the creditors. We made all principal and interest payments on an accurate, timely, and complete basis. Also, we shall not use the loan proceeds in a way that is 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 fair competition. We shall not discredit or seek 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 transactions only with us also.

#### **Business partner**

The Company values our business partners as the key to our growth through mutual support, including creating value for the customers and the shareholders. We, therefore, select business partners by considering their reputations, capability, legality, and regularity, as well as treating them based on equality emphasizing transparency and justification. The Company strictly complies with the terms and conditions specified in the contracts and code of conduct of the Company, in which in the case where there is a term and condition that cannot be complied with, the Company will immediately notify our business partners. In addition, the Company annually arranges events to create a relationship with our business partner. In the previous year, the Company has arranged events to create a relationship with our business partners.

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

The Company has a 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 to laws and regulations concerning employees and the international fundamental principles of human rights, regardless of the place of birth, nationality, gender, age, skin color, religious belief, disability, status, family status, educational institute, or another status irrelevant to job performance, apart from respecting individualism and human dignity.

- *Anti-corruption and Bribery*

The Company is opposed to all forms of corruption and bribery and has the policy to encourage employees to abide by the laws and be good citizens 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 guidelines for the directors, the executives, and the employees to comply, we with therefore established a set of policies and procedures regarding anti-corruption in writing 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 comply with Business Ethics and Conducts.

- *Charitable contributions*

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

Apart from publicizing this policy via our communication channel, to be acknowledged this policy by employees, the Company has communicated through our directors, executives, and employees through orientation and annual re-orientation. The Company has a policy of protection for the employee or whistle-blower on the fraud including the internal procedures to manage the complaints that would be corrupting matters. In addition, the Company has channels for any stakeholders to inform or complain about any matter being treated as a right violation. Information on contacting has been provided clearly.

The Company has arranged an 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 and then it will be passed to the Audit Committee and the Board of Directors, respectively. It can be sure that the Company keeps the complaint's information, to protect the complainant's rights. In this respect,

the Company will appoint a person to be responsible for every clue submitted to the Company. The Company also regularly assesses risk in activities that are in connection with or lead to corruption.

### 1. Whistle-blowing and complaints

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 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 The details of whistle-blowing or complaints must be factual, clear, or sufficient to lead to an 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 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 determine the appropriate protection measures or the company may impose protection measures by the complainant 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 an 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, and 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 the law, rules, code of business conduct, or corporate governance principles.

#### Intellectual Property and Copyright

The Company sets a 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 the 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 emphasizes 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 for 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, which cannot be reached by other irrelevant departments. It then limits only the relevant staff to access it.

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 an 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 the financial statement along with the auditor report in the annual report. Such report contains contents that 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 the Managing Director.
- 4.3 The Company's management structure comprises three committees, including the Board of Directors, Audit Committee, and Risk Management Committee. In 2022, there is the attendance at the Meetings as follows:

Name of Director	Board of Director	Audit Committee	Risk Management
1. Mr. Somchai Aungsananta	5/5	-	-
2. Mr. Takaaki Takeuchi	5/5	-	-
3. Ms. Salinee Mahtani	5/5	-	1/1
4. Mr. Subpachai Lovanit	5/5	-	-
5. Mr. Maksimiljan Pristovsek	5/5	-	-
6. Ms. Vrinporn Uer-anant	5/5	4/4	-
7. Mr. Krit Indhewat	5/5	4/4	-

Name of Director	Board of Director	Audit Committee	Risk Management
8. Mr. Toshiyuki Koike	5/5	4/4	1/1
9. Mr. Vibool Uer-anant	5/5	-	1/1
10. Mrs. Eumporn Pamornbutr	5/5	-	-
11. Ms. Kasumi Takeuchi	5/5	-	-

- 4.4 The Company is utterly concerned with the disclosure of relevant information to investors so that investors can receive accurate, transparent, and thorough information. The Investor Relation and Company Secretary are assigned to act as company representatives responsible for communication, provision of information services, and dissemination of news and information about the Company's activities to institutions, investors, shareholders, analysts, the 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 persons can read and/or download such information from [www.alucon.th.com](http://www.alucon.th.com) which provides this information in both Thai and English. Investors and concerned parties who have any inquiries and would like to obtain information about the Company 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 the 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 the 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 Securities and Exchange Commission (SEC) about 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 the report must be sent to the Company Secretary as evidence. In the past, the Company has never had any incident where any director or executive uses inside information to gain benefits for themselves or others in any way.

Directors and management executives filed changes in share ownership reports 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

In 2022, it was monitored on the risk from working in each department and it can be concluded that there were 2 items on high risk and 35 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	Independence Director	5
		Non-Executive Director	2

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

The list of directors and servicing years are as follows:

Name	Position	Year in position / Serviced year
1. Mr. Somchai Aungsananta	Independence director, Chairman of Board of Directors	1990 / 33
2. Mr. Takaaki Takeuchi	Executive Director	2538 / 28
3. Ms. Salinee Mahtani	Executive Director / Risk Management Committee	2541 / 25
4. Mr. Subpachai Lovanit	Executive Director	2541 / 25
5. Mr. Maksimiljan Pristovsek	Executive Director	2564 / 2
6. Ms. Vrinporn Uer-anant	Independence Director / Audit Committee – Chairperson	2537 / 29
7. Mr. Krit Indhewat	Independence Director / Audit Committee	2553 / 13
8. Mr. Toshiyuki Koike	Independence Director / Audit Committee / Risk Management Committee	2553 / 13
9. Mr. Vibool Uer-anant	Independence Director / Risk Management Committee – Chairman	2556 / 9
10. Mrs. Eumporn Pamornbutr	Director	2533 / 33
11. Ms. Kasumi Takeuchi	Director	2560 / 6

Remark: based on information as of 31st December 2022

5.2 According to the Company's regulation, it is stipulated that one-third (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 directors to vacate their position will be the figure closest to the value of one-third (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, the Chairman of the Board of Directors does not take up the position of the committee chairman and member.

5.4 The Board is involved in defining the vision, mission, strategies, goals, and business plans of the Company. It is independent and supervises the management of a business plan under the budget, to maximize the benefit to the organization, stakeholders, and shareholders.

- In addition, the Board has also implemented an internal control system, an audit system, and efficient risk management measures and constantly monitors these matters in the board meeting.
- 5.5 The Company stipulates performance evaluation containing two parts: 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 the efficiency of the internal control system regarding financial control, operating performance, and corporate governance in compliance with pertinent legal provisions and regulations, protection and maintenance of assets, and risk management. In this regard, the Company hires Dharmniti Internal Audit Co., Ltd. to audit the 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 2022, the 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 interests and the interest of connected persons by the provision of the concerned agency. It is required that the Company must be notified of such a list within 15 days after the initial request and every time changes occur. Such a report will be used by the Company Secretary as information and a 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 acknowledgment.
- 5.8 The Company holds board meetings and informs each board member of the upcoming meeting in advance. In 2022, a total of five Board of Directors meetings were convened. In each board meeting, the Board of Directors, Board Chairman, Managing Director, and the Company Secretary jointly review the meeting agenda to ensure that vital matters are included in the agenda and each board member can table matters in the 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 the matter at the meeting and the Chairman will allocate sufficient time for such discussion. Directors are keen on every issue brought to their attention in a 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 the meeting of the Board of Directors contains essential information such as the meeting date, the time when a meeting is called and adjourned, a list of directors who attend the meeting and are absent, a summary of proposed matters, a 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 the meeting of all board meetings in good order. Such records can be readily searched but cannot be altered without the Board's consent.
- 5.9 Regarding the remuneration of directors, it was proposed for approval by shareholders each year by transparency and auditing principles. Moreover, it is assumed that remuneration is at a suitable level and sufficient enough to motivate and retain quality directors as required.
- 5.10 Regarding the policy concerning the tenure of the Company's directors in other companies, the Company does not have any requirements if each will hold a position in other companies. This is because such a matter does not affect

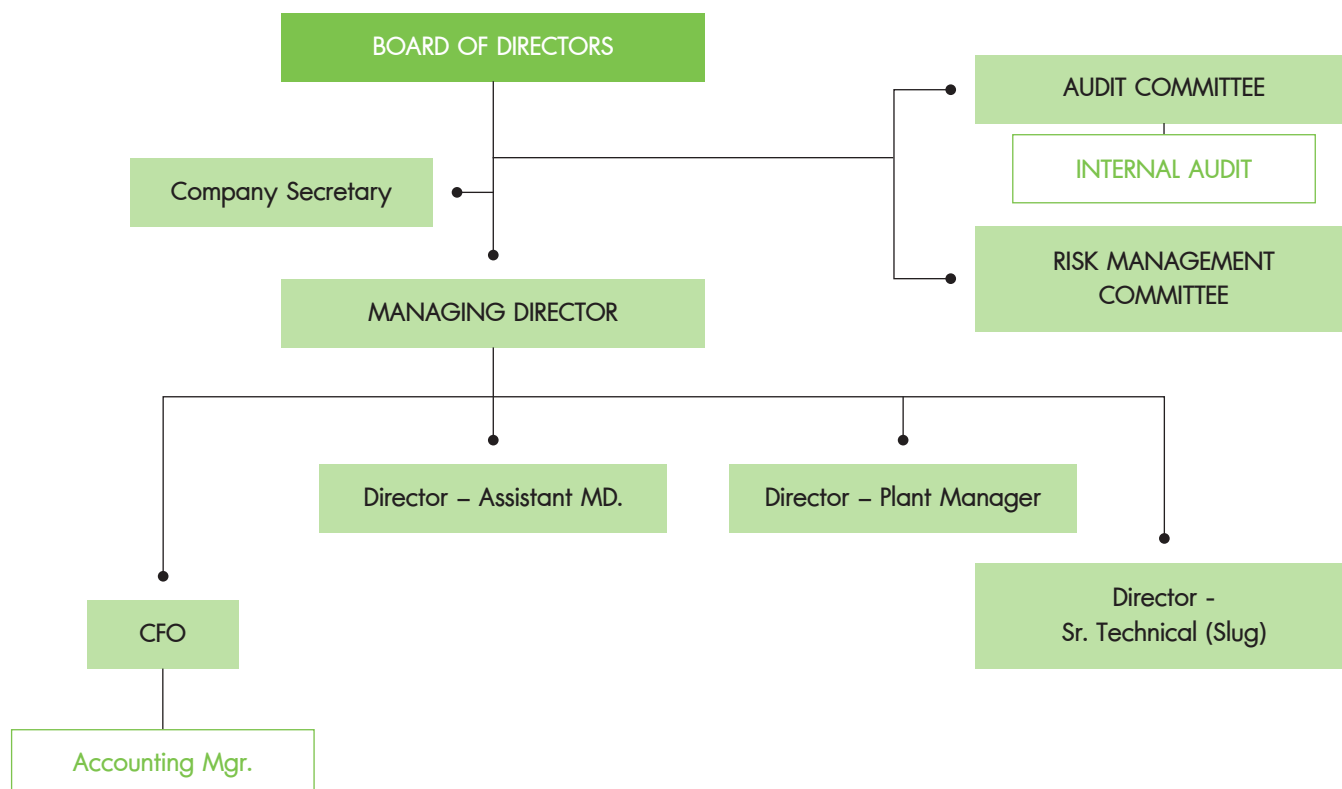


- the director's competency and expertise, provided that such a director can fully devote his/her time to the Company regarding policy formulation, and consultation on problem-solving in business operations within the scope of power and duties of the Company's director. However, no director, at present, holds a position in another 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 regulations, vital policies as well as guidelines on board member's conducts, provisions of the Stock Exchange of Thailand and the SEC Office 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 the Thai Institute of Directors Association.
- 5.13 The Company assigns that the Chairman of the Board and Managing Director must not same person and their roles, responsibilities, and duties are separated. The Chairman of the Board and the Chairman of sub-committees must be appointed by an independent director only.
- 5.14 The Company has a policy for non-executive directors to organize their meetings to discuss 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 by the laws, 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 the opinion of the Audit Committee. u
- 5.17 The Board of Directors monitors the Company to have a risk management system sufficiently and follows up frequently. Therefore, the Company has set up the Risk Management Committee and Risk Management Team to evaluate and follow up on the risk factors at least once a year.
- 5.18 Roles and scope of responsibility of the Company Secretary are detailed in Appendix 1.

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

### 1 Corporate Governance Structure

As of 31<sup>st</sup> December 2022, the Company manages the organization structure according to the nature of the Company's business operations. Details can be illustrated 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 / Risk Management Committee / 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 passed the company secretary training course from the Thai Institute of Directors Association (IOD), class 392/2554.

### Authorized director to bind the company

The 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 by 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 by the law, objectives, and Articles of Association of the Company as well as the resolutions of the shareholders' meeting with integrity and 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, maximize the economic value of the business, and create wealth for shareholders.
3. Directors must be honest, trusty, and ethical in business operations.
4. Directors must have responsibilities to shareholders regularly and operate to protect the interests of shareholders, and 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 the 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 case 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 by the policy, business strategy, goal, plan, and annual budget of the Company as 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 matters 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 by normal business and normal trading conditions.

**Board of Directors Meeting**

The 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 2022, there were 5 Board of Directors meetings. Each meeting of the Board of Directors has a clear agenda, both agenda for acknowledgment and an agenda for consideration. There were sufficient documents supporting the meeting and delivered to the directors at least 5 days before 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 was 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**

To have appropriate checks and balances and to manage and operate the business by a good corporate governance policy, the Board of Directors has established 2 sub-committees which are

1. Audit Committee
2. Risk Management Committee

The details of the 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

**Scope of Duties of 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 complies 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 a conflict of interests to ensure that those transactions comply 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 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,
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 the 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

The Risk Management Committee is comprised of 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

### The scope of Duties of the Risk Management Committee are as follows:

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

1. For approval, assess and present risk management policy and framework to the Board of Directors.
2. Examining and agreeing on risk appetite (acceptable risk levels), and presenting to the Board of Directors.
3. Continuously monitor 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,
5. Coordinating with the Audit Committee about significant risk factors and having the Internal Audit Unit 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 risk 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 the 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 2022, the Executives are comprised of 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 the 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 a Remuneration Payment Policy for executive directors and executives but the remuneration has been allocated under the operating results as well as must not be higher than the standard compared to other companies in the same industry. According to Thai Institute of Directors Association (IOD) has issued a 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 2022, the fiscal year ended 31<sup>st</sup> December 2021, and the fiscal year ended 31<sup>st</sup> December 2020, the Company paid the remuneration to the management as follows:

Type of Remuneration	Fiscal Year Ended 31 <sup>st</sup> December 2022	Fiscal Year Ended 31 <sup>st</sup> December 2021	Fiscal Year Ended 31 <sup>st</sup> December 2020
Number of Executives person	5	5	6
Salary and Bonus (Baht)	36.12	36.00	40.09
Provident fund and other benefits	0.60	1.33	1.37

#### (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 on Employee

### 1. Number of Employees

As of 31<sup>st</sup> December 2022, the Company has the employee in a number of 1,160 persons which can be divided into each location they are operated as follows:



Location	2022	2021	2020
Employee at Head Office	141	138	150
Employee at AMC	22	24	35
Employee at CPS	757	781	804
Employee at SPS	240	254	266
<b>Total</b>	<b>1,160</b>	<b>1,197</b>	<b>1,255</b>

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

In 2020, 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 50 employees to the Sriracha factory there was 108 employee who voluntarily early retired, and 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 with labor disputes among employees.

## 3. Employee remuneration

The compensation of employees in 2022, being consists of salaries, bonuses, employee savings, and others, totaling 717 MB whereas, the Company considers employee compensation by 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 grades

## 5. Employment dispute in the previous year

As of December 31, 2022, the Company has 1 labor union, but there is no labor dispute or lawsuit or has been sued in any way.

## 6. Policy on Employee Development

The Company emphasizes human resource development starting from recruitment by adhering to transparent principles and operating with an equal and fair system.

## 7. Employee Training and Development

The Company emphasizes personnel development because the Company believes that personnel is an important factor to boost the Company to be the 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, and executives safety.
- Specific courses: Training related to the 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 2022, the Company organized training courses for employees in a total of 109 courses totaling 33,222 hours, representing the average number of hours of training for employees per year as 29.27 hours per person per year including the budget for training expenses in a total of 341,116.59 Baht.

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

### 8. Equal treatment of 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 the 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

To survey the satisfaction or happiness with the performance of each employee's duties, the employees have the 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 by the anti-corruption policy (Anti-Corruption Policy) that the Company has always adhered to.

### 10. Creation of 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 effects including creating an atmosphere of workplace to be orderliness by implementing 5S policies effectively. The Company provides measures to prevent the spread of the 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 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. The scope of Responsibility of the Corporate Secretary shall be as 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 the 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 about 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 under 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 the Company Secretary Program (CSP), Board Reporting Program (BRP), and Anti-Corruption: The Practical Guide (ACPG) organized by the 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 training 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 of Company

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 2022. In 2022, there is the remuneration charged as follows:

### 1. Audit remuneration

The Annual General Meeting No. 62 on 25<sup>th</sup> April 2022 has the resolution to appoint KPMG Poomchai Audit Limited as the Auditor. The list of Auditors is 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 2022 was 1,190,000 Baht, according to the details shown in the form confirming the correctness of the remuneration paid to the auditor.

### 2. Other charges

In 2022, 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 630,000 Baht, which details of such services are shown in the form confirming the correctness of the full cup of compensation paid to the auditor.

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

The Company has a 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 every quarter. The report of changes in securities holding of the Directors and the Executives by comparing the fiscal year ended 31<sup>st</sup> December 2021 and 31<sup>st</sup> December 2022 have been summarized as follows:

Name	Position	Number of Shareholdings as of 31/12/2021	Number of Shareholdings as of 31/12/2022	Change Increase / decrease 2022	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. Maksimiljan Pristovsek	Director – Senior Technical 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	-	0.009
10. Mrs. Eumporn Pamornbutrs	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	100	100	-	0.001
Spouse and minor child		-	-	-	-

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

**5. Courses that Directors attending in 2022**

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

## 8. Report on Key Performance of Corporate Governance

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

In 2022, the Board of Directors held 5 meetings to formulate key policies and strategies to enhance the company's capabilities as well as closely monitor the Company's operating results and financial status 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 the Board of Directors.

The Board of Directors requires that the performance of the 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 2022, the Company has conducted an evaluation of the Board of Directors' performance and all sub-committees, which will assess both the 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, in the self-assessment results of all committees, both the whole Board and the individual, the average score is 3.95, which is quite high. In 2022, the Company had no new director but appointed 4 retired directors with the approval of the shareholders' meeting. The Company has provided an opportunity for shareholders to nominate candidates to be elected as new directors by the rules prescribed by the Company, which is published on the Company's website at [www.alucon.th.com](http://www.alucon.th.com) between December 1, 2021, and January 31, 2022.

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

The Board of Directors jointly considers the qualifications of the persons who will be Independent directors based on qualifications and does not have any prohibited characteristics according to the Public Company Act, Securities, and Exchange Act, Announcement of the Capital Market Supervisory Board including announcements, regulations and/or related regulations. In addition, the 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 the 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:

- |   |   |
|---|---|
| <p>(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;</p> <p>(2) Neither being nor used to be an executive director, employee, staff, an advisor who receives a 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</p> | <p>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;</p> <p>(3) Not being a person related by blood or legal registration as a father, mother, spouse, sibling, and child, including the spouse of a child, executive, major shareholder, controlling person, or person to be nominated as an executive or controlling person of the Company or its subsidiary company;</p> |
|---|---|



- (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 that 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 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 a 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 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 about the Company's business operations.

After being appointed as an 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 an 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 a person's qualifications, not in compliance with the prescribed rules;
- b. The reason and necessity for maintaining or appointing a such person as an independent director; and
- c. The opinion of the Company's Board of Directors for proposing the appointment of such person as an 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 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 a deficiency in legal competence or having been subject to any legal proceeding under the law governing the capital market
  - a. Being an insolvent person, or
  - b. Being an incompetent or a quasi-incompetent person, or
  - c. 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 offenses regarding deceitful, fraudulent or dishonest management of assets which has caused damage to either the financial institution 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 offenses 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 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 the 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 own position, status or duty, he was not aware of such untruth or omission;

or

3.3 Engaged in any unfair practice, 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 under 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. If he elects more than one person, his 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.
- (4) any of the prohibitive attributes as per Section 68 of the Public Limited Company Act B.E. 2535
- (5) 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 is 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 have resigned per the first paragraph may also notify the Registrar of their 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 under 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 under 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 before he completes his tenure by the affirmative votes of not less than three-fourths of the shareholders who attend the meeting and are 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.

If 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 for 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

### 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 any way.

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

The Company has no succession plan for the top executive of the organization.

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

As of December 31, 2022, the Company has 11 directors and the Board of Directors has 5 meetings in 2022 their attendance are as follows:

Director	Position	Board of Directors Meeting	AGM 2022
1. Mr. Somchai Aungsananta	Independent Director, Chairman of Board of Directors	5/5	✓
2. Mr. Takaaki Takeuchi	Director, Managing Director	5/5	✓
3. Ms. Salinee Mahtani	Director, Assistant Managing Director, Risk Management Committee	5/5	✓
4. Mr. Subpachai Lovanit	Director, Plant Manager	5/5	✓
5. Mr. Maksimiljan Pristovsek	Director, Senior Technical Plant Manager (Slugs)	5/5	✓
6. Ms. Vrinporn Uer-anant	Independent Director, Chairperson - Audit Committee	5/5	✓
7. Mr. Krit Indhewat	Independent Director, Audit Committee	5/5	✓
8. Mr. Toshiyuki Koike	Independent Director, Audit Committee, Risk Management Committee	5/5	✗*
9. Mr. Vibool Uer-anant	Independent Director, Chairman – Risk Management Committee	5/5	✓
10. Mrs. Eumporn Pamornbutr	Director	5/5	✓
11. Ms. Kasumi Takeuchi	Director	5/5	✗*

Remark: \* Both directors did not attend the Annual General Meeting No. 62 because of the outbreak of COVID-19 and the Government does not allow foreigners to enter Thailand.

## Director Remuneration

### (1) Remuneration in cash

This remuneration in cash has been approved from the Annual General Meeting No. 62 on April 25, 2021. The details can be illustrated as follows:

Details	2021	2022
● 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	Transportation	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	430,000.00	-	-	430,000.00
4. Mr. Subpachai Lovanit	400,000.00	-	-	400,000.00
5. Mr. Maksimiljan Pristovsek	400,000.00	-	-	400,000.00
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	-	84,000.00	534,000.00
10. Mrs. Eumporn Pamornbutr	400,000.00	-	60,000.00	460,000.00
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 2022.

**(3) Other remuneration in another kind**

There is no payment on the remuneration of another kind to the Board of Directors or Sub-committee in 2022.

**3. Control of 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, to comply with good corporate governance, the Company followed up on other four issues as follows:

**(1) Protection against Conflict of Interests**

The Company is committed to conducting business under the principles of good corporate governance with honesty and places importance on the prevention of conflicts of interest to operate a 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. If 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 contradiction 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 carrying out transactions or participating or external activities or holding another position, including a director,

consultant, or 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 the 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 conflict with the interests of 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 has 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 minor child 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 the transfer of securities, through the Company's Secretary 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 before 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, or employees of the Company, including persons who are presumed to know or possess inside information under the Securities Act, shall disclose the Company's and its subsidiary'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 the 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, or 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 Board of Directors has an anti-corruption policy in which the Company operates its business with morality as a basis. Adhering to the responsibility to society and all stakeholders by the Code of Business Ethics for the best interests of shareholders and in line with the Business Code of Conduct, the Board of Directors resolved to revise the anti-corruption policy by the guidelines of the CAC, Thai Private Sector – Collective Action against Corruption on November 11, 2022.

Corruption means any type of bribery such as an offer, promise, guarantee, inquiry, or acquisition of money, asset, or other inappropriate benefits from the government officers, government sectors, private sectors, or responsible persons either in direct or indirect action so that such person could proceed or disregard his/her function to acquire, retain the business, recommend a specific company to the entity, or achieve any improper benefits in a business transaction. The exception shall be applied in case of laws, regulations, statements, standards, customs, or business traditions enable to do so.

"Conflict of interest" means a conflict of personal interest with the interests of Alucon, either directly or indirectly.

"Facilitation Payment" means a small number of expenses paid to the state officials informally to ensure that they shall proceed with an action or to accelerate the procedures under the legitimate authorization, and such procedures are generally considered as legal rights belonging to any juristic persons such as an application for license or certificate or the use of public services.

Director, Management Team, and Alucon staff are prohibited from operating or accepting every type of corruption both directly or indirectly covering every business and related department in every country. The Anti-Corruption Policy is needed to be reviewed regularly, including a possible revision of such policy and implementation provision to accord with business changes, regulations, standards, 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 that 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 by 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

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 ต่อ 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 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 an 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, and 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 the 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 benefit or for others.

The Company has a policy of information security to conduct 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. If 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 at 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 February 24, 2023. 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 supervision
4. Internal audit supervision
5. Compliance with rules and laws supervision
6. Connected transactions 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 at the Risk Management Committee

	Name	Position	The 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 February 24, 2023. Full details can be found in Appendix 7.

## 9. Internal Control and Connected Transactions

### 1

#### Internal Control

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

The 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 by 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 by The Committee of Sponsoring Organizations of Treadway Commission ("COSO") which is comprised of 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 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 persons enough. For other internal controls, the 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 of the management and is knowledgeable, and has good business expertise by having the Charter of Board of Directors and sub-committees as clearly stated such as the Charter of Audit Committees and Charter of Risk Management Committee to perform the duties of Board of Directors with efficiency, effectiveness, fairness and by 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 the Board of Directors before proposing them to the shareholders' meeting for consideration and appointment.
- There is a Code of Conduct, Corporate Governance Principles, and Anti-Corruption Measures in writing as well as 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 by 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 organize training in various courses and set an annual training plan, to develop personnel by the Company's business strategy and create motivation, and 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 have 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 reviewing and assessing 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 levels.
- 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 consultants to educate 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 to 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 levels, to assess the risks that will affect the Company.

**(3) Control Activities:**

The Company controls the operation effectively 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 transactions 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, and 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, and info availability including management of sensitive information that may affect the stock price) and also control the directors, executives, employees, and third persons who may involve in 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 the Board of Directors to use ineffective decision-making by providing the communicated information to the Board of Directors before 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 promptly, as well as communicated to employees and outsiders to receive accurate information through various channels appropriately and promptly.
- 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, 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 the Board of Directors Meetings at 5 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 Auditor, 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 promptly 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 giving 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 by the principles of risk assessment affecting the Company's operations and covers the operational processes of the organization being approved by the Audit Committee. The scope of work of the Internal Audit Department covers auditing, monitoring, controlling, testing, reviewing, and evaluating the sufficiency and the efficiency of the Company's internal control system including the quality of the operations 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 plans, methods, and measures to protect assets from misuse and to keep them away from all kinds of fraud.
- Reliability of the internal control system about management and operations that it operates by the policies, plans, laws, rules, regulations, governmental and regulatory bodies, and company regulations covering activities in various fields.
- 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.

Internal auditor regularly reports on audit results and follow-up progress on deficiencies, including suggestions to the Audit Committee. The internal auditors are independent and are 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 comply with legal requirements government regulations orders 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 to have reasonable confidence in the Company's operations to achieve the set goals.

## 3. Internal Auditor 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 a team has the 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 the policy to proceed with the related transactions with important related companies. Such transactions must be reported and approved by the Board of Directors by 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 December 31, 2021, and December 31, 2022, can be summarized as follows:

Related Party	Relationship	Type	Value (MB) As of 31/12/2021	Value (MB) As of 31/12/2021	Necessity and suitable reason
Takeuchi Press Industries Co., Ltd.	Majority shareholders at 71.65%	Sale of Goods	1,196.1	1,414.4	Takeuchi Press Industries Co., Ltd. acts as an intermediary in the sale of aluminium containers and slugs, to customers in Japan who had no experience in importing goods, are self-directed, and are happy to order from 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, the quantity being sold, and shipping costs
		Materials and spare parts	16.3	19.3	Purchasing transactions support the Company's normal business by purchasing raw materials and spare parts at a lower price than other suppliers, which cannot be sourced out locally.
		Royalty Fee	18.2	14.5	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 by the agreement as same as the market price.
		Commission	2.4	1.9	Being paid a commission based on a percentage of sales is normal business as the prices and considerations are according to normal trading.

Related Party	Relationship	Type	Value (MB) As of 31/12/2021	Value (MB) As of 31/12/2021	Necessity and suitable reason
		Other expenses	-	0.1	Being a normal business the price and consideration are according to normal trading.
		Account receivable	98.4	60.9	Payment condition is normal to be treated with other customers by the Company.
		Account payable	-	0.2	Payment condition is normal to be treated with other customers by Takeuchi Press Industries Co., Ltd.
		Accrued commission payable	0.5	0.5	Payment condition is normal to be treated with other customers by Takeuchi Press Industries Co., Ltd.
		Accrued interest payable	3.8	4.0	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 by 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 a related company that would have a 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 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 comply with the regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission. Any directors who involve in the such connected transaction shall abstain from the vote on such matters.

## 4. Policies and prospects for future transactions

The Company continues to cause connected transactions with related parties. Concerning the transaction that the Company has done for the business and it would be in line with normal business conditions. There is no benefit transfer between the Company and the related company. The Company affirms that it runs the business with transparency by good corporate governance policy, and strictly complies with the regulations of the Stock Exchange of Thailand and the 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 the financial statement being audited by the auditor of the Company.



# **Section 3**

## **Financial statements**



# **Alucon Public Company Limited**

Financial statements for the year ended

31 December 2022

and

Independent Auditor's Report



## 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 2022, 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 2022 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 including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that is relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. 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 inventories

Refer to Note 3(e) and 7 to the financial statements.

The key audit matter	How the matter was addressed in the audit
<p>The Company's inventories are measured at the lower of cost and net realisable value. The Company's main raw material is aluminium ingot which can be subject to price volatility depending on the demand and supply in the global market. The price of aluminium ingot is based on the price quoted on the London Metal Exchange Market ("LME"). As a result there is a risk that the carrying value of inventories may exceeds its net realisable value.</p> <p>According to value of inventories is significant balance in the financial statements. This matter is concentrated in my audit.</p>	<p>My audit procedures included:</p> <ul style="list-style-type: none"> <li>● Inquiring the management to obtain an understand of the Company's policy as well as assess the design and implementation of the relevant internal controls over an estimate of an allowance for decline in value of inventories.</li> <li>● Analysis the gross profit margins of each inventory category to identify products that have a likelihood of having a lower selling price than the cost.</li> <li>● Assessing the appropriateness of the net realisable value of inventories by testing on sampling basis on the selling price, including costs to make the sale against the relevant document and testing calculation.</li> <li>● Considering the adequacy of the disclosures in accordance with Thai Financial Reporting Standards.</li> </ul>

**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, actions taken to eliminate threats or safeguards applied.

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  
24 February 2023

**Alucon Public Company Limited**  
**Statement of financial position**

<b>Assets</b>	<i>Note</i>	31 December	
		2022	2021
		<i>(in Baht)</i>	
<b><i>Current assets</i></b>			
Cash and cash equivalents	5	1,263,084,835	1,185,272,145
Trade accounts receivable	4, 6	1,089,459,888	1,133,391,353
Inventories	7	2,337,105,443	1,860,600,715
Refundable value added tax		52,221,714	49,972,824
Other current assets		27,994,146	26,212,678
<b>Total current assets</b>		<b>4,769,866,026</b>	<b>4,255,449,715</b>
<b><i>Non-current assets</i></b>			
Other non-current financial assets	22	51,468,486	51,175,974
Property, plant and equipment	8	2,483,105,783	2,799,730,460
Intangible assets	9	5,291,162	6,163,546
Deferred tax assets	19	29,938,889	30,190,841
Other non-current assets		293,716	293,716
<b>Total non-current assets</b>		<b>2,570,098,036</b>	<b>2,887,554,537</b>
<b>Total assets</b>		<b>7,339,964,062</b>	<b>7,143,004,252</b>

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

**Alucon Public Company Limited**  
**Statement of financial position**

Liabilities and equity	Note	31 December	
		2022	2021
		<i>(in Baht)</i>	
<b>Current liabilities</b>			
Trade accounts payable	4, 10, 22	116,456,346	158,467,337
Contract liabilities	14	29,289,038	26,643,581
Other payables to related parties	4, 22	9,618,917	9,279,454
Other payables to other parties	11, 22	100,051,347	104,849,583
Current income tax payable		80,200,600	73,520,382
Current provisions for employee benefits	12	30,409,412	45,984,082
Other current liabilities		14,538,673	13,652,373
<b>Total current liabilities</b>		<b>380,564,333</b>	<b>432,396,792</b>
<b>Non-current liability</b>			
Non-current provisions for employee benefits	12	461,975,313	453,090,529
<b>Total non-current liability</b>		<b>461,975,313</b>	<b>453,090,529</b>
<b>Total liabilities</b>		<b>842,539,646</b>	<b>885,487,321</b>
<b>Equity</b>			
Share capital			
Authorised share capital			
<i>(43,200,000 ordinary shares, par value at Baht 10 per share)</i>		432,000,000	432,000,000
Issued and paid-up share capital			
<i>(43,199,986 ordinary shares, par value at Baht 10 per share)</i>		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		5,768,224,556	5,528,317,071
<b>Total equity</b>		<b>6,497,424,416</b>	<b>6,257,516,931</b>
<b>Total liabilities and equity</b>		<b>7,339,964,062</b>	<b>7,143,004,252</b>

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

**Alucon Public Company Limited**  
**Statement of comprehensive income**

		Year ended 31 December	
	Note	2022	2021
		(in Baht)	
<b>Income</b>			
Revenue from sale of goods	4, 14	6,928,309,709	5,712,602,804
Net foreign exchange gain		61,354,006	92,649,877
Other income	15	212,716,022	167,241,259
<b>Total income</b>		<b>7,202,379,737</b>	<b>5,972,493,940</b>
<b>Expenses</b>			
Cost of sale of goods	4, 7	6,014,847,838	4,738,615,194
Distribution costs	4, 16	254,359,254	214,080,641
Administrative expenses	4, 17	137,169,420	139,036,030
<b>Total expenses</b>		<b>6,406,376,512</b>	<b>5,091,731,865</b>
<b>Profit before income tax expense</b>		<b>796,003,225</b>	<b>880,762,075</b>
Tax expense	19	136,596,000	176,543,857
<b>Profit for the year</b>		<b>659,407,225</b>	<b>704,218,218</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Gain on remeasurements of defined benefit plans	12	15,625,150	28,832,175
Income tax relating to items that will not be reclassified	19	(3,125,030)	(5,766,435)
<b>Other comprehensive income for the year, net of tax</b>		<b>12,500,120</b>	<b>23,065,740</b>
<b>Total comprehensive income for the year</b>		<b>671,907,345</b>	<b>727,283,958</b>
<b>Basic earnings per share (in Baht)</b>	20	<b>15.26</b>	<b>16.30</b>

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



**Alucon Public Company Limited**  
**Statement of changes in equity**

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

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

**Alucon Public Company Limited**  
Statement of changes in equity

	Issued and paid-up share capital	Share premium	Legal reserve (in Baht)	Unappropriated	Total equity
<b>Year ended 31 December 2022</b>					
<b>Balance at 1 January 2022</b>	<b>431,999,860</b>	<b>254,000,000</b>	<b>43,200,000</b>	<b>5,528,317,071</b>	<b>6,257,516,931</b>
<b>Transactions with owners, recorded directly in equity</b>					
<i>Distribution to owners</i>					
Dividends	-	-	-	(431,999,860)	(431,999,860)
<i>Total distribution to owners</i>	-	-	-	(431,999,860)	(431,999,860)
<b>Total transactions with owners, recorded directly in equity</b>	-	-	-	(431,999,860)	(431,999,860)
<b>Comprehensive income for the year</b>					
Profit for the year	-	-	-	659,407,225	659,407,225
Other comprehensive income	-	-	-	12,500,120	12,500,120
<b>Total comprehensive income for the year</b>	-	-	-	<b>671,907,345</b>	<b>671,907,345</b>
<b>Balance at 31 December 2022</b>	<b>431,999,860</b>	<b>254,000,000</b>	<b>43,200,000</b>	<b>5,768,224,556</b>	<b>6,497,424,416</b>

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

**Alucon Public Company Limited****Statement of cash flows**

		Year ended 31 December	
	Note	2022	2021
		(in Baht)	
<b>Cash flows from operating activities</b>			
Profit for the year		659,407,225	704,218,218
<i>Adjustments to reconcile profit to cash receipts (payments)</i>			
Tax expense	19	136,596,000	176,543,857
Depreciation	8	391,509,565	415,001,802
Amortisation	9	1,337,602	1,434,152
Provisions for employee benefits	12	34,991,286	57,137,995
Gain on fair value adjustment on unit trust - debt instruments		(292,512)	(465,628)
Unrealised (gain) loss on exchange		33,098,402	(699,948)
(Reversal of) losses on inventories devaluation	7	(6,797,985)	7,095,041
Gain on disposal of plant, equipment and intangible assets		(2,206,693)	(812,981)
Interest income		(3,249,334)	(6,964,817)
		1,244,393,556	1,352,487,691
<i>Changes in operating assets and liabilities</i>			
Trade accounts receivable		10,768,536	(372,862,941)
Inventories		(469,706,743)	(852,826,936)
Refundable value added tax		(2,248,890)	(39,374,681)
Other current assets		(2,408,182)	(6,381,937)
Other non-current assets		-	9,000
Trade accounts payable		(41,947,428)	50,527,258
Contract liabilities		2,645,457	11,630,863
Other payable to related parties		339,463	(1,153,155)
Other payable to other parties		(2,495,351)	10,376,915
Other current liabilities		886,300	(1,056,670)
Repayment of employee benefits		(26,056,021)	(35,496,151)
<b>Net cash generated from operations</b>		<b>714,170,697</b>	<b>115,879,256</b>
Taxes paid		(132,788,860)	(176,726,744)
<b>Net cash from (used in) operating activities</b>		<b>581,381,837</b>	<b>(60,847,488)</b>

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

**Alucon Public Company Limited**  
**Statement of cash flows**

		Year ended 31 December	
	Note	2022	2021
		(in Baht)	
<b>Cash flows from investing activities</b>			
Proceeds from sale of unit trust - debt instruments		-	650,365,420
Proceeds from sale of plant and equipment		2,623,324	1,118,224
Payment for acquisition of property, plant and equipment		(77,575,158)	(106,136,746)
Payment for acquisition of intangible assets		(493,501)	(95,200)
Interest received		3,876,048	7,032,559
<b>Net cash from (used in) investing activities</b>		<b>(71,569,287)</b>	<b>552,284,257</b>
<b>Cash flows from financing activities</b>			
Decrease in bank overdrafts		-	(598)
Dividends paid to owners of the Company	21	(431,999,860)	(431,999,860)
<b>Net cash used in financing activities</b>		<b>(431,999,860)</b>	<b>(432,000,458)</b>
<b>Net increase in cash and cash equivalents</b>		<b>77,812,690</b>	<b>59,436,311</b>
Cash and cash equivalents at 1 January		1,185,272,145	1,125,835,834
<b>Cash and cash equivalents at 31 December</b>	5	<b>1,263,084,835</b>	<b>1,185,272,145</b>
<b>Supplemental disclosures of cash flows information:</b>			
1. Cash paid for purchase of plant and equipment during the year are detailed as follows:			
Total addition of plant and equipment during the year	8	75,301,237	84,218,330
Add: settlement of payables for plant and equipment previously purchased		5,450,390	27,368,806
Less: payables on purchase of plant and equipment	11	(3,176,469)	(5,450,390)
<b>Net purchases of plant and equipment paid by cash</b>		<b>77,575,158</b>	<b>106,136,746</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	465,501	123,200
Add: settlement of payables for intangible assets previously purchased		28,000	-
Less: payables on purchase of intangible assets		-	(28,000)
<b>Net purchases of intangible assets paid by cash</b>		<b>493,501</b>	<b>95,200</b>

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

**Alucon Public Company Limited**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

<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	Expenses by nature
19	Income tax
20	Basic earnings per share
21	Dividends
22	Financial instruments
23	Capital management
24	Commitments with non-related parties
25	Event after the reporting period

# **Alucon Public Company Limited**

## **Notes to the financial statements**

### **For the year ended 31 December 2022**

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 24 February 2023.

## **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 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.



**Alucon Public Company Limited**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

**(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 plus or minus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition.

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI); or 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.

**Alucon Public Company Limited**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

*(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's 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 takes action 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 have maturities 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.

# Alucon Public Company Limited

## Notes to the financial statements

### For the year ended 31 December 2022

The Company estimates lifetime expected credit losses (ECLs), using a provision matrix to find the ECLs rates. 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

**Alucon Public Company Limited**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

**(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 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.

An impairment loss of asset 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.

## **Alucon Public Company Limited**

### **Notes to the financial statements**

### **For the year ended 31 December 2022**

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.

**Alucon Public Company Limited**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

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 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 and cost of sale 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 it relates 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.

**Alucon Public Company Limited**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

**(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 is under common control or under the same significant influence as the Company; or a person or entity over which the Company has direct or indirect control or joint control or has significant influence over the financial and managerial decision-making.

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.

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

<b>Year ended 31 December</b>	<b>2022</b>	<b>2021</b>
	<i>(in thousand Baht)</i>	
<b>Parent</b>		
Revenue from sale of goods	1,414,369	1,196,095
Purchase of raw materials and spare parts	19,300	16,342
License fee	14,531	18,222
Commission expenses	1,878	2,410
Other expenses	126	45
<b>Key management personnel</b>		
Key management personnel compensation		
Short-term employee benefits	42,270	42,061
Post-employment benefits	550	1,213
<b>Total key management personnel compensation</b>	<b>42,820</b>	<b>43,274</b>

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

	<b>2022</b>	<b>2021</b>
	<i>(in thousand Baht)</i>	
<b>Trade account receivable</b>		
Parent - Takeuchi Press Industries Company Limited	60,925	98,425



**Alucon Public Company Limited**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

	2022 (in thousand Baht)	2021
<b>Trade account payable</b>		
Parent - Takeuchi Press Industries Company Limited	<u>200</u>	<u>-</u>
<b>Other payables</b>		
<b>Accrued license fee</b>		
Parent - Takeuchi Press Industries Company Limited	4,023	3,787
<b>Accrued commission payable</b>		
Parent - Takeuchi Press Industries Company Limited	501	538
<b>Accrued management's remuneration and other benefits</b>		
Key management personnel	<u>5,095</u>	<u>4,954</u>
<b>Total other payables to related parties</b>	<u><b>9,619</b></u>	<u><b>9,279</b></u>

**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**

	2022 (in thousand Baht)	2021
Parent - Takeuchi Press Industries Company Limited	<u>361</u>	<u>3,644</u>

**Significant memorandum of understanding**

On 4 February 2022, the Company entered into a memorandum of understanding with Takeuchi Press Industries Company Limited to supply aluminium slugs in quantity of about 7,000 MT for the production of aluminium monobloc aerosol cans and collapsible tubes for a period from April 2022 to March 2023.

**5 Cash and cash equivalents**

	2022 (in thousand Baht)	2021
Cash on hand	64	69
Cash at banks - current accounts	723	38,743
Cash at banks - saving accounts	1,262,298	596,460
Cash at banks - fixed accounts	-	550,000
<b>Total</b>	<u><b>1,263,085</b></u>	<u><b>1,185,272</b></u>

**Alucon Public Company Limited**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

**6 Trade accounts receivables**

	<i>Note</i>	2022 <i>(in thousand Baht)</i>	2021
<b>Related party</b>			
Within credit terms	4	60,925	98,425
		<u>60,925</u>	<u>98,425</u>
<b>Other parties</b>			
Within credit terms		826,894	898,216
Overdue:			
Less than 3 months		201,579	136,729
3 - 6 months		62	-
6 - 12 months		-	21
		<u>1,028,535</u>	<u>1,034,966</u>
<b>Total</b>		<u>1,089,460</u>	<u>1,133,391</u>

Information of credit risk is disclosed in note 22 (b.1).

**7 Inventories**

	2022 <i>(in thousand Baht)</i>	2021
Finished goods	280,782	324,805
Work in progress	268,638	189,229
Raw materials	1,462,411	831,516
Spare parts	174,575	180,324
Goods in transit	152,698	343,524
Total	<u>2,339,104</u>	<u>1,869,398</u>
Less allowance for decline in value	<u>(1,999)</u>	<u>(8,797)</u>
<b>Net</b>	<u>2,337,105</u>	<u>1,860,601</u>
Inventories recognised in “cost of sales of goods”:		
- Cost	6,021,646	4,731,520
- (Reversal of) write-down to net realisable value	<u>(6,798)</u>	<u>7,095</u>
<b>Total</b>	<u>6,014,848</u>	<u>4,738,615</u>

**Alucon Public Company Limited**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

**8 Property, plant and equipment**

	Land and land improvement	Buildings and building improvement	Machinery and equipment	Office equipment (in thousand Baht)	Vehicles	Spare parts	Assets under construction and installation	Total
<b>Cost</b>								
At 1 January 2021	293,760	1,782,140	7,446,969	19,626	33,593	96,111	65,605	9,737,804
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 and 1 January 2022</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>
Additions	-	182	10,496	1,309	-	9,904	53,410	75,301
Transfers	-	168	62,071	-	-	(13,144)	(49,095)	-
Disposals	-	-	(33,340)	(231)	(30)	-	-	(33,601)
<b>At 31 December 2022</b>	<b>293,760</b>	<b>1,795,491</b>	<b>7,557,866</b>	<b>20,796</b>	<b>29,756</b>	<b>84,150</b>	<b>31,065</b>	<b>9,812,884</b>
<b>Depreciation</b>								
At 1 January 2021	44,494	957,495	5,561,142	16,919	26,935	-	-	6,606,985
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 and 1 January 2022</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>
Depreciation charge for the year	6,027	57,362	325,264	1,236	1,621	-	-	391,510
Disposals	-	-	(32,925)	(231)	(30)	-	-	(33,186)
<b>At 31 December 2022</b>	<b>56,992</b>	<b>1,074,331</b>	<b>6,151,686</b>	<b>19,149</b>	<b>27,620</b>	<b>-</b>	<b>-</b>	<b>7,329,778</b>
<b>Net book value</b>								
At 1 January 2021	249,266	824,645	1,885,827	2,707	6,658	96,111	65,605	3,130,819
<b>At 31 December 2021 and 1 January 2022</b>	<b>242,795</b>	<b>778,172</b>	<b>1,659,292</b>	<b>1,574</b>	<b>3,757</b>	<b>87,390</b>	<b>26,750</b>	<b>2,799,730</b>
<b>At 31 December 2022</b>	<b>236,768</b>	<b>721,160</b>	<b>1,406,180</b>	<b>1,647</b>	<b>2,136</b>	<b>84,150</b>	<b>31,065</b>	<b>2,483,106</b>

Financial statements

**Alucon Public Company Limited**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

The gross amount of the Company's fully depreciated plant and equipment that was still in use as at 31 December 2022 amounted to Baht 2,805 million (2021: Baht 2,652 million).

**9 Intangible assets**

	Software licence (in thousand Baht)
<b>Cost</b>	
At 1 January 2021	30,773
Additions	123
<b>At 31 December 2021 and 1 January 2022</b>	<b>30,896</b>
Additions	466
Disposals	(1,052)
<b>At 31 December 2022</b>	<b>30,310</b>
<b>Amortisation</b>	
At 1 January 2021	23,299
Amortisation charge for the year	1,434
<b>At 31 December 2021 and 1 January 2022</b>	<b>24,733</b>
Amortisation charge for the year	1,338
Disposals	(1,052)
<b>At 31 December 2022</b>	<b>25,019</b>
<b>Net book value</b>	
At 1 January 2021	7,474
<b>At 31 December 2021 and 1 January 2022</b>	<b>6,164</b>
<b>At 31 December 2022</b>	<b>5,291</b>

**10 Trade accounts payable**

	Note	2022 (in thousand Baht)	2021
Related party	4	200	-
Other parties		116,256	158,467
<b>Total</b>		<b>116,456</b>	<b>158,467</b>

**11 Other payables to other parties**

	2022 (in thousand Baht)	2021
Accrued operating expenses	46,624	44,291
Factory supplies and spare parts payables	14,616	14,228
Payables on purchase of property, plant and equipment	3,176	5,450
Others	35,635	40,881
<b>Total</b>	<b>100,051</b>	<b>104,850</b>

**Alucon Public Company Limited**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

**12 Provisions for employee benefits**

	2022	2021
	<i>(in thousand Baht)</i>	
<b>Statement of financial position</b>		
<b>Provisions for :</b>		
Post-employment benefits	378,516	374,027
Other long-term employee benefits	50,209	50,625
	<b>428,725</b>	<b>424,652</b>
Provident fund	63,660	74,423
<b>Total</b>	<b>492,385</b>	<b>499,075</b>
 <b>Statement of comprehensive income</b>		
<b>Recognised in profit or loss:</b>		
Post-employment benefits	35,272	34,711
Other long-term employee benefits	6,704	11,175
(Reversal of ) provident fund	(6,985)	11,252
	<b>34,991</b>	<b>57,138</b>
 <b>Recognised in other comprehensive income:</b>		
Actuarial gain recognised in the year	(15,625)	(28,832)

*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.

	2022	2021
	<i>(in thousand Baht)</i>	
<b>Present value of the defined benefit obligations</b>		
At 1 January	424,652	438,147
 <b>Include in profit or loss:</b>		
Current service cost	34,465	38,156
Past service cost	1,959	(1,208)
Interest on obligation	6,506	5,167
Gain (loss) on settlement	(954)	3,771
	<b>41,976</b>	<b>45,886</b>
 <b>Included in other comprehensive income</b>		
Actuarial (gain) loss		
- Demographic assumptions	9,873	1,863
- Financial assumptions	(16,054)	(21,065)
- Experience adjustment	(9,444)	(9,630)
	<b>(15,625)</b>	<b>(28,832)</b>
 Benefit paid	<b>(22,278)</b>	<b>(30,549)</b>
 <b>At 31 December</b>	<b>428,725</b>	<b>424,652</b>

**Alucon Public Company Limited**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

<i>Principal actuarial assumptions</i>	2022	2021
	(%)	
Discount rate	2.37	1.66
Future salary growth	3.50	3.50

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

At 31 December 2022, the weighted-average duration of the defined benefit obligation was 8.30 years (2021: 8.59 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>	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Discount rate	(24,253)	(25,566)	27,332	28,820
Future salary growth	23,930	25,402	(21,665)	(23,017)
Employee turnover	(10,218)	(11,225)	8,023	8,919
Life expectancy (year)	343	375	(342)	(374)

***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 Limited Companies Act B.E. 2535 (1992) 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 Limited Companies Act B.E. 2535 (1992) requires that a public 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.

**Alucon Public Company Limited**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

**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.



**Alucon Public Company Limited**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

***Information about reportable segments***

	<b>Segment 1</b>		<b>Segment 2</b>		<b>Total</b>	
	2022	2021	2022	2021	2022	2021
	<i>(in thousand Baht)</i>					
Revenue from sale of goods	3,536,121	3,092,876	3,392,189	2,619,727	6,928,310	5,712,603
<b>Segment result</b>	<b>642,683</b>	<b>674,814</b>	<b>270,779</b>	<b>299,174</b>	<b>913,462</b>	<b>973,988</b>
<b>Profit before income tax</b>	<b>657,179</b>	<b>669,146</b>	<b>138,824</b>	<b>211,616</b>	<b>796,003</b>	<b>880,762</b>
<b>Segment assets</b>						
Trade accounts receivable	573,407	585,180	516,053	548,211	1,089,460	1,133,391
Inventories	330,704	339,344	2,006,401	1,521,257	2,337,105	1,860,601
Property, plant and equipment	1,995,749	2,224,652	487,357	575,078	2,483,106	2,799,730
Unallocated assets					1,430,293	1,349,282
<b>Total assets</b>					<b>7,339,964</b>	<b>7,143,004</b>
<b>Segment liabilities</b>						
Trade accounts payable	91,597	93,151	24,859	65,316	116,456	158,467
Unallocated liabilities					726,084	727,020
<b>Total liabilities</b>					<b>842,540</b>	<b>885,487</b>
<b>Other material items</b>						
Depreciation and amortisation	300,596	314,005	92,252	102,431	392,848	416,436
Capital expenditure	72,040	67,092	3,727	17,250	75,767	84,342

***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.

	<b>Revenues</b>		<b>Non-current assets</b>	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Asia pacific	4,591,457	3,614,716	-	-
Thailand	1,576,301	1,439,643	2,570,098	2,887,555
United states of America	481,248	427,780	-	-
Others	279,304	230,464	-	-
<b>Total</b>	<b>6,928,310</b>	<b>5,712,603</b>	<b>2,570,098</b>	<b>2,887,555</b>

**Alucon Public Company Limited**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

***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, which the Company must comply with.

	Promoted businesses	2022 Non- promoted businesses	Total	Promoted businesses	2021 Non- promoted businesses	Total
<i>Year ended</i>						
<i>31 December</i>						
Export sales	1,134,133	4,317,602	5,451,735	272,477	4,112,747	4,385,224
Local sales	390,597	1,085,978	1,476,575	459,783	867,596	1,327,379
<b>Total</b>	<b>1,524,730</b>	<b>5,403,580</b>	<b>6,928,310</b>	<b>732,260</b>	<b>4,980,343</b>	<b>5,712,603</b>

***Contract Balances***

	31 December 2022	2021
Trade accounts receivable	1,089,460	1,133,391
Contract liabilities - current	29,289	26,644

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**

	2022	2021
Sale of scrap	196,396	149,923
Others	16,320	17,318
<b>Total</b>	<b>212,716</b>	<b>167,241</b>

**16 Distribution costs**

	2022	2021
Freight expenses	193,323	147,721
Employee benefit expenses	32,771	34,790
Others	28,265	31,570
<b>Total</b>	<b>254,359</b>	<b>214,081</b>

**Alucon Public Company Limited**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

**17 Administrative expenses**

	2022	2021
	<i>(in thousand Baht)</i>	
Employee benefit expenses	107,775	108,576
Depreciation and amortisation	6,038	7,890
Repair and maintenance	5,870	1,656
Transportation expenses	2,001	5,175
Others	15,485	15,739
<b>Total</b>	<b>137,169</b>	<b>139,036</b>

**18 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:

	2022	2021
	<i>(in thousand Baht)</i>	
<b><i>Included in cost of sale of goods:</i></b>		
Changes in inventories of finished goods and work in progress	(35,385)	(136,035)
Raw materials and consumables used	4,330,723	3,226,204
Employee benefit expenses	576,945	590,947
Depreciation and amortisation	386,091	407,753
Utilities expenses	402,513	317,235
<b><i>Included in distribution costs:</i></b>		
Freight expenses	193,323	147,721
Employee benefit expenses	32,771	34,790
Depreciation and amortisation	719	793
<b><i>Included in administrative expenses:</i></b>		
Employee benefit expenses	107,775	108,576
Depreciation and amortisation	6,038	7,890

**Alucon Public Company Limited**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

**19 Income tax**

*Income tax recognised in profit or loss*

	2022 (in thousand Baht)	2021 (in thousand Baht)
<b>Current tax expense</b>		
Current year	139,197	171,419
Under provided in prior year	272	12,600
	<b>139,469</b>	<b>184,019</b>
<b>Deferred tax expense</b>		
Movements in temporary differences	(2,873)	(7,475)
<b>Total</b>	<b>136,596</b>	<b>176,544</b>

*Income tax recognised in other comprehensive income*

	Before tax	2022 Tax expense	Net of tax (in thousand Baht)	Before tax	2021 Tax expense	Net of tax
Defined benefit plan actuarial gain	15,625	(3,125)	12,500	28,832	(5,766)	23,066
<b>Total</b>	<b>15,625</b>	<b>(3,125)</b>	<b>12,500</b>	<b>28,832</b>	<b>(5,766)</b>	<b>23,066</b>

*Reconciliation of effective tax rate*

	Rate (%)	2022 (in thousand Baht)	Rate (%)	2021 (in thousand Baht)
Profit before income tax		<b>796,003</b>		<b>880,762</b>
Income tax using the Thai corporation tax rate	20	159,201	20	176,152
Corporate income tax exemption		(20,204)		(11,770)
Tax effect of income and expenses that are not taxable income or tax expenses, net		(2,673)		(438)
Under provided in prior year		272		12,600
<b>Total</b>	<b>17</b>	<b>136,596</b>	<b>20</b>	<b>176,544</b>

*Deferred tax*

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

	2022 (in thousand Baht)	2021 (in thousand Baht)
Deferred tax assets	93,939	97,422
Deferred tax liabilities	(64,000)	(67,231)
<b>Net</b>	<b>29,939</b>	<b>30,191</b>

**Alucon Public Company Limited**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

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

	At 1 January 2022	(Charged) / Credited to :		At 31 December 2022
		Profit or loss (in thousand Baht)	Other comprehensive income	
<b>Deferred tax assets</b>				
Inventories (allowance for decline in value)	1,759	(1,518)	-	241
Employee benefit obligations	95,499	1,324	(3,125)	93,698
Financial assets measured at FVTPL	164	(164)	-	-
<b>Total</b>	<b>97,422</b>	<b>(358)</b>	<b>(3,125)</b>	<b>93,939</b>
<b>Deferred tax liabilities</b>				
Property, plant and equipment (depreciation gap)	(67,231)	3,340	-	(63,891)
Financial assets measured at FVTPL	-	(109)	-	(109)
<b>Total</b>	<b>(67,231)</b>	<b>3,231</b>	<b>-</b>	<b>(64,000)</b>
<b>Net</b>	<b>30,191</b>	<b>2,873</b>	<b>(3,125)</b>	<b>29,939</b>
		(Charged) / Credited to :		
	At 1 January 2021	Profit or loss (in thousand Baht)	Other comprehensive income	At 31 December 2021
<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 liabilities</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>

**Alucon Public Company Limited**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

**20 Basic earnings per share**

The calculations of basic earnings per share for the years ended 31 December 2022 and 2021 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:

	2022 (in thousand Baht / thousand shares)	2021 (in thousand Baht / thousand shares)
<i>Profit attributable to ordinary shareholders for the year ended 31 December</i>		
<b>Profit attributable to ordinary shareholders of the Company</b>	<b>659,407</b>	<b>704,218</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>15.26</b>	<b>16.30</b>

**21 Dividends**

The shareholders of the Company have approved dividends as follows:

	Approval date	Payment schedule	Dividend rate per share (Baht)	Amount (in million Baht)
<i>2022</i>				
Annual dividend	25 April 2022	May 2022	10	432
<i>2021</i>				
Annual dividend	20 April 2021	May 2021	10	432

**22 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, but 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.

<i>At 31 December</i>	Carrying amount Financial instruments measured at FVTPL	Fair value			Total
		Level 1 (in thousand Baht)	Level 2	Level 3	
<b>2022</b>					
<i>Financial asset</i>					
Unit trust - debt instruments	51,468	-	51,468	-	51,468
<b>2021</b>					
<i>Financial asset</i>					
Unit trust - debt instruments	51,176	-	51,176	-	51,176

**Alucon Public Company Limited**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

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

<b>Type</b>	<b>Valuation technique</b>
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.



**Alucon Public Company Limited**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

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 shows 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.

At 31 December	Carrying amount	Contractual cash flows			Total
		Within 1 year or less	More than 1 year but less than 5 years	More than 5 years	
		(in thousand Baht)			
		2022			
		Non-derivative financial liabilities			
Trade accounts payables	116,456	116,456	-	-	116,456
Other payables to related parties	9,619	9,619	-	-	9,619
Other payables to other parties	100,051	100,051	-	-	100,051
Total	226,126	226,126	-	-	226,126
2021					
Non-derivative financial liabilities					
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
Total	272,596	272,596	-	-	272,596

**Alucon Public Company Limited**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

As at 31 December 2022, the Company had unutilised credit facilities from financial institutions of approximately Baht 1,899 million (2021: Baht 2,008 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:

	2022	2021
	<i>(in thousand Baht)</i>	
<b><i>United States Dollars (USD)</i></b>		
Cash and cash equivalents	80,774	2,067
Trade accounts receivable	600,740	630,008
Trade accounts payable	(10,648)	(52,277)
	<u>670,866</u>	<u>579,798</u>
<b><i>Japanese Yen (YEN)</i></b>		
Cash and cash equivalents	727,197	61,427
Trade accounts receivable	60,925	98,425
Trade accounts payable	(200)	-
	<u>787,922</u>	<u>159,852</u>
<b><i>Australian Dollar (AUD)</i></b>		
Trade accounts receivable	11,285	10,525
	<u>11,285</u>	<u>10,525</u>
<b><i>Others (HKD, EUR, CHF and GBP)</i></b>		
Trade accounts receivable	395	314
Trade accounts payable	(2,839)	(5,554)
	<u>(2,444)</u>	<u>(5,240)</u>
<b>Gross statement of financial position exposure</b>	<b><u>1,467,629</u></b>	<b><u>744,935</u></b>

**Alucon Public Company Limited**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

*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 2022</b></i>			
USD	1	6,709	(6,709)
YEN	1	7,879	(7,879)
<i><b>At 31 December 2021</b></i>			
USD	1	5,799	(5,799)
YEN	1	1,599	(1,599)

(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>Exposure to interest rate risk at 31 December</i>	2022	2021
	<i>(in thousand Baht)</i>	
<i><b>Financial instruments with fixed interest rates</b></i>		
Financial assets	<u>1,263,085</u>	<u>1,185,272</u>
	<b>1,263,085</b>	<b>1,185,272</b>

## 23 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.

## 24 Commitments with non-related parties

	2022	2021
	(in thousand Baht)	
<b>Capital commitments</b>		
Contracted but not provided for:		
Factory, machinery and equipment	<u>46,632</u>	<u>9,432</u>
<b>Other commitments</b>		
Purchase orders accepted by suppliers		
- Within one year	1,229,566	3,779,220
Bank guarantees	<u>22,500</u>	<u>22,500</u>
<b>Total</b>	<u>1,252,066</u>	<u>3,801,720</u>

**Alucon Public Company Limited**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

*Bank guarantee*

As at 31 December 2022, 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 (2021: Baht 23 million).

*Purchase orders accepted by suppliers*

As at 31 December 2022, the Company had purchase orders accepted by suppliers for purchase of aluminium ingot in total quantity of 15,000 MT (2021: 40,100 MT), at the price as determined in purchase orders (2021: at the price as determined in purchase orders) that will be delivered during 2022 to 2023 (2021: during 2021 to 2022).

**25 Event after the reporting period**

At the Board of Directors' meeting of the Company held on 24 February 2023, 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 2565**

**ค่าตอบแทนจากการสอบบัญชี (audit fee)**

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

**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	200,000	-
2	บริษัท อลูคอน จำกัด (มหาชน)	ค่าธรรมเนียมที่ ปรึกษาทางด้านภาษี	บริษัท สำนักภาษี เคพีเอ็มจี ภูมิภาค ไทย จำกัด	250,000	-
3	บริษัท อลูคอน จำกัด (มหาชน)	ค่าธรรมเนียมตาม วิธีการที่ตกลงร่วมกัน เพื่อตรวจสอบการ ปฏิบัติตามเงื่อนไขของ บัตรส่งเสริมการลงทุน	บริษัท เคพีเอ็มจี ภูมิภาค ไทย สอบบัญชี จำกัด	180,000	-
<b>รวมค่าตอบแทนสำหรับงานบริการอื่น (non-audit fee)</b>				<b>630,000</b>	<b>-</b>

ข้อมูลข้างต้น

☒ ถูกต้องครบถ้วนแล้ว ทั้งนี้ ข้าพเจ้าขอยืนยันว่าไม่มีข้อมูลการให้บริการอื่นที่บริษัทจ่ายให้ข้าพเจ้า สำนักงานสอบบัญชีที่ข้าพเจ้าสังกัด และบุคคลหรือกิจการที่เกี่ยวข้องกับข้าพเจ้าและสำนักงานสอบบัญชีที่ข้าพเจ้าสังกัดที่ข้าพเจ้าทราบและไม่มีเปิดเผยไว้ข้างต้น

☐ ไม่ถูกต้อง ไม่ครบถ้วน กล่าวคือ .....


เมื่อปรับปรุงข้อมูลข้างต้น (ถ้ามี) แล้ว ข้าพเจ้าขอยืนยันว่า ข้อมูลทั้งหมดในแบบฟอร์มนี้แสดงค่าตอบแทนสอบบัญชีและค่าบริการอื่นที่บริษัทจ่ายให้ข้าพเจ้า สำนักงานสอบบัญชีที่ข้าพเจ้าสังกัดและบุคคลหรือกิจการที่เกี่ยวข้องกับข้าพเจ้าและสำนักงานสอบบัญชีดังกล่าวที่ถูกต้องครบถ้วน

ลงชื่อ  .....

(นางปิยธิดา ตั้งเด่นชัย)

สังกัด บริษัท เคพีเอ็มจี ภูมิภาค ไทย สอบบัญชี จำกัด

ผู้สอบบัญชีของบริษัท บริษัท อลูคอน จำกัด (มหาชน)



# **Section 4**

## **Certification of Information Accuracy**






## 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 the 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
<b>Authorized person:</b> 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 (69)

<b>Position</b>	:	Independent Director and Chairman of the Board of Directors
<b>Education</b>	:	- MBA – West Texas State University, USA - Bachelor's degree in Arts, Thammasart University
<b>Training by the Thai Institute of Directors Association (IOD)</b>	:	None
<b>Relationship with Director &amp; Executive</b>	:	None
<b>Company's securities holding as of 31<sup>st</sup> December 2022</b>	:	87,750 shares = 0.20 % (no change) (Spouse holds 600 shares = 0.0001% & no minor children)
<b>Work Experience</b>	:	1996 – present     Director Podium Home Center Co., Ltd.
<b>Current position in another organization</b>		
- in listed companies	:	None
- in non-listed companies	:	1 company     Director Podium Home Center Co., Ltd.
- in other organizations	:	No position of director, executive, or consultant in any organization such as an association or foundation.
- in other organizations that may cause any conflict of interest to the Company	:	No position of director or executive in such an organization
<b>Numbers of meeting attendances</b>	:	5/5 times
<b>Year in Position / start from</b>	:	33 years / 27 <sup>th</sup> May 1990
<b>Conflict of Interest</b>	:	- Not being a director who gets the monthly benefit from the Company - Not being any kind of service professional to the Company - Not having any relationship with any business linked to the Company which influent to the decision-making independently.
<b>Records on Securities and Derivatives Illegal</b>	:	None

## 2. Mr. Takaaki Takeuchi (63)

<b>Position</b>	: Director and Managing Director (Authorized Director)
<b>Education</b>	: Master of Science in Packaging, Michigan State University, USA.
<b>Training by the Thai Institute of Directors Association (IOD)</b>	: None
<b>Relationship with Director &amp; Executive</b>	: Ms. Kasumi Takeuchi – Niece
<b>Company’s securities holding as of 31<sup>st</sup> December 2022</b>	: 90,000 shares = 0.21% (no change) (Spouse and minor children – no share)
<b>Work Experience</b>	: 1995 – present      Managing Director Alucon Public Company Limited
<b>Current position in another organization</b>	
- in listed companies	: None
- in non-listed companies	: None
- in other organizations	: No position of director, executive, or consultant in any organization such as an association or foundation.
- in other organizations that may cause any conflict of interest to the Company	: 1 company      : Director – Takeuchi Press Industries Co., Ltd.
<b>Numbers of meeting attendances</b>	: 5/5 times
<b>Year in Position / start from</b>	: 28 years / 9 <sup>th</sup> May 1995
<b>Conflict of Interest</b>	: - Being a director who gets the monthly benefit from the Company - Not being any kind of service professional to the Company - Having any relationship with any business linked to the Company which influent to the decision-making independently.
<b>Records on Securities and Derivatives Illegal</b>	: None

### 3. Ms. Salinee Mahtani (57)

<b>Position</b>	:	Director, Assistant Managing Director (Authorized Director), Risk Management Committee
<b>Education</b>	:	Master's Degree in International Business – KOBE University, Japan
<b>Training by the Thai Institute of Directors Association (IOD) 2006</b>	:	- Directors Accreditation Program (DAP) – in the year 2003 - Understanding the Fundamental of Financial Statement – in the year 2006
<b>Relationship with Director &amp; Executive</b>	:	None
<b>Company's securities holding as of 31<sup>st</sup> December 2022</b>	:	245,000 shares = 0.56% (no change) (Spouse – no share & no minor children)
<b>Work Experience</b>	:	2016 – Present      Director – Assistant Managing Director Alucon Public Company Limited  1998 – 2016         Director – General Manager Alucon Public Company Limited
<b>Current position in another organization</b>		
- in listed companies	:	None
- in non-listed companies	:	None
- in other organizations	:	No position of director, executive, or consultant in any organization such as an association or foundation.
- in other organizations that may cause any conflict of interest to the Company	:	No position of director or executive in such an organization.
<b>Numbers of meeting attendances</b>	:	5/5 times
<b>Year in Position / start from</b>	:	25 years / 30 <sup>th</sup> April 1998
<b>Conflict of Interest</b>	:	- Being a director who gets the monthly benefit from the Company - Not being any kind of service professional to the Company - Not having any relationship with any business linked to the Company which influent to the decision-making independently.
<b>Records on Securities and Derivatives Illegal</b>	:	None

#### 4. Mr. Subpachai Lovanit (81)

Position	:	Director, Plant Manager
Education	:	Vocational Certificate obtained a scholarship from German Government to study engineering in Berlin for 2 years
Training by the Thai Institute of Directors Association (IOD)	:	- Directors Accreditation Program (DAP) – in the year 2003 - Understanding the Fundamental of Financial Statements in the year 2006
Relationship with Director & Executive	:	None
Company’s securities holding as of 31 <sup>st</sup> December 2022	:	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 another organization		
- in listed companies	:	None
- in non-listed companies	:	None
- in other organizations	:	3 organizations - Vice President – Ferrous and Non-Ferrous Employers’ Association - Director – Employers’ Confederation of Thai Trade and Industries - Director – The Federation of Industries, Samutprakarn Province
- in other organizations that may to the Company	:	No position of director, executive, or consultant in any organization such as an association or foundation.
Numbers of meeting attendances	:	5/5 times
Year in Position / start from	:	25 years / 30 <sup>th</sup> April 1998
Conflict of Interest	:	- Being a director who gets the monthly benefit from the Company - Not being any kind of service professional to the Company - Not having any relationship with any business linked to the Company which influent to the decision-making independently.
Records on Securities and Derivatives Illegal	:	None

## 5. Mr. Maksimiljan Pristovsek (70)

<b>Position</b>	:	Director, Senior Technical Plant Manager (Slugs)
<b>Education</b>	:	- University Diploma – Engineer of Metallurgy, University of Ljubljana, Republic of Slovenia
<b>Training by the Thai Institute of Directors Association (IOD)</b>	:	None
<b>Relationship with Director &amp; Executive</b>	:	None
<b>Company's securities holding as of 31<sup>st</sup> December 2022</b>	:	44,100 shares = 0.11% (no change) (Spouse – no share & no minor children)
<b>Work Experience</b>	:	2018 – present      Senior Technical Plant Manager (Slugs) Alucon Public Company Limited 1990 – 2018      Technical Plant Manager (Slugs) Alucon Public Company Limited
<b>Current position in another organization</b>		
- in listed companies	:	None
- in non-listed companies	:	None
- in other organizations	:	No position of director, executive, or consultant in any organization such as an association or foundation.
- in other organizations that may cause any conflict of interest to the Company	:	No position of director or executive in such an organization.
<b>Numbers of meeting attendances</b>	:	5/5 times
<b>Year in Position / start from</b>	:	2 years / 20 <sup>th</sup> April 2021
<b>Conflict of Interest</b>	:	- Being a director who gets the monthly benefit from the Company - Not being any kind of service professional to the Company - Not having any relationship with any business linked to the Company which influent to the decision-making independently.
<b>Records on Securities and Derivatives Illegal</b>	:	None



## 6. Ms. Vrinporn Uer-anant (73)

<b>Position</b>	:	Independent Director and Audit Committee - Chairperson
<b>Education</b>	:	<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 the American Board of NLP and NLP University</li> </ul>
<b>Training by the Thai Institute of Directors Association (IOD)</b>	:	<ul style="list-style-type: none"> <li>- Directors Accreditation Program (DAP) – in the year 2004</li> <li>- Finance for Non-Finance Director in the year 2007</li> </ul>
<b>Relationship with Director &amp; Executive</b>	:	Brother – Mr. Vibool Uer-anant
<b>Company's securities holding as of 31<sup>st</sup> December 2022</b>	:	154,300 shares = 0.36% (no change) (No spouse and minor children)
<b>Work Experience</b>	:	2013 – present      Consultant – Quality Management System 2006 – 2013          Lecturer, School of Management and Economics, Assumption University (ABAC)
<b>Current position in another organization</b>		
- in listed companies	:	None
- in non-listed companies	:	2 companies      : Director – Thai Farmer Properties Co., Ltd. Director – Moon Light Bay Co., Ltd.
- in other organizations	:	No position of director, executive, or consultant in any organization such as an association or foundation.
- in other organizations that may cause any conflict of interest to the Company	:	No position of director or executive in such an organization.
<b>Numbers of meeting attendances</b>	:	5/5 times
<b>Year in Position / start from</b>	:	29 years / 27 <sup>th</sup> May 1994
<b>Conflict of Interest</b>	:	<ul style="list-style-type: none"> <li>- Not being a director, employee, or consultant who gets 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 linked to the Company which influent to the decision-making independently.</li> </ul>
<b>Records on Securities and Derivatives Illegal</b>	:	None

## 7. Mr. Krit Indhewat (82)

<b>Position</b>	:	Independent Director, Audit Committee
<b>Education</b>	:	Bachelor's Degree – London University, England
<b>Training by the Thai Institute of Directors Association (IOD)</b>	:	None
<b>Relationship with Director &amp; Executive</b>	:	None
<b>Company's securities holding as of 31<sup>st</sup> December 2022</b>	:	155,250 shares = 0.36% (no change) (Spouse holds 9,000 shares = 0.02% and no minor children)
<b>Work Experience</b>	:	- Director – Advance Ad Co., Ltd. - Board Consultant – Kodanmal Co., Ltd.
<b>Current position in another organization</b>		
- in listed companies	:	None
- in non-listed companies	:	2 companies : Director – Advance Ad Co., Ltd. Board Consultant – Kodanmal Co., Ltd.
- in other organizations	:	Director – Rotary Club of Bangkok Foundation
- in other organizations that may cause any conflict of interest to the Company	:	No position of director or consultant in such an organization
<b>Numbers of meeting attendances</b>	:	5/5 times
<b>Year in Position / start from</b>	:	23 years / 30 <sup>th</sup> April 2000
<b>Conflict of Interest</b>	:	- Not being a director who gets the monthly benefit from the Company - Not being any kind of service professional to the Company - Not having any relationship with any business linked to the Company which influent to the decision-making independently.
<b>Records on Securities and Derivatives Illegal</b>	:	None

## 8. Mr. Toshiyuki Koike (50)

<b>Position</b>	:	Independent Director, Audit Committee, and Risk Management Committee
<b>Education</b>	:	<ul style="list-style-type: none"> <li>- Master of Management, Mahidol University, Thailand</li> <li>- Bachelor of Arts (Economics and Literature), Aoyama Gakuin University, Japan</li> </ul>
<b>Training by the Thai Institute of Directors Association (IOD)</b>	:	None
<b>Relationship with Director &amp; Executive</b>	:	None
<b>Company's securities holding as of 31<sup>st</sup> December 2022</b>	:	No share
<b>Work Experience</b>	:	2018 – present      Director SBA Limited 2012– 2018          Managing Director ENZO International Co., Ltd.
<b>Current position in another organization</b>		
- in listed companies	:	None
- in non-listed companies	:	1 company : Director – SBA Limited
- in other organizations	:	No position of director, executive, or consultant in any organization such as an association or foundation.
- in other organizations that may cause any conflict of interest to the Company	:	No position of director or executive in such an organization.
<b>Numbers of meeting attendances</b>	:	5/5 times
<b>Year in Position / start from</b>	:	13 years / 10 <sup>th</sup> May 2010
<b>Conflict of Interest</b>	:	<ul style="list-style-type: none"> <li>- Not being a director, employee, or consultant who gets 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 linked to the Company which influent to the decision-making independently.</li> </ul>
<b>Records on Securities and Derivatives Illegal</b>	:	None

## 9. Mr. Vibool Uer-anant (67)

<b>Position</b>	:	Independent Director and Risk Management Committee – Chairman
<b>Education</b>	:	<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>
<b>Training by the Thai Institute of</b>	:	<ul style="list-style-type: none"> <li>- Directors Certification Program (DCP) – in the year 2015</li> <li>- Risk Management Program (RMP) in the year 2015</li> </ul>
<b>Directors Association (IOD)</b>		
<b>Relationship with Director &amp; Executive</b>	:	Sister – Ms. Vrinporn Uer-anant
<b>Company's securities holding as of 31<sup>st</sup> December 2022</b>	:	10,000 shares = 0.02% (no change) (Spouse holds 4,000 shares = 0.009% and minor children - no share)
<b>Work Experience</b>	:	2001 – present     Managing Director Varothorn Parts & Service Co., Ltd. 2002 – present     Managing Director Samma Biz Co., Ltd.
<b>Current position in another organization</b>		
- 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 organizations	:	No position of director, executive, or consultant in any organization such as an association or foundation.
- in other organizations that may cause any conflict of interest to the Company	:	No position of director or executive in such an organization.
<b>Numbers of meeting attendances</b>	:	5/5 times
<b>Year in Position / start from</b>	:	9 years / 11 <sup>th</sup> November 2013
<b>Conflict of Interest</b>	:	<ul style="list-style-type: none"> <li>- Not being a director, employee, or consultant who gets 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 linked to the Company which influent to the decision-making independently.</li> </ul>
<b>Records on Securities and Derivatives Illegal</b>	:	None

## 10. Mrs. Eumporn Pamornbutr (73)

<b>Position</b>	:	Non-Executive Director
<b>Education</b>	:	<ul style="list-style-type: none"> <li>- Bachelor's degree in Business Administration in Accounting, Southeast Bangkok College</li> <li>- Certificate - Mini MBA, Thammasat University</li> <li>- Certificate - Financial Management, Chulalongkorn University</li> <li>- Training by the Federation of Accounting Professions</li> <li>- Chief Financial Officer Certification Program from the Federation of Accounting Professions in the year 2006</li> <li>- Risk Management for Executive Program from Chulalongkorn University</li> </ul>
<b>Training by the Thai Institute of Directors Association (IOD)</b>	:	<ul style="list-style-type: none"> <li>- Directors Accreditation Program (DAP) – in the year 2003</li> <li>- Finance for Non-Finance Directors – in the year 2005</li> <li>- Role of Compensation Committee – in the year 2012</li> </ul>
<b>Relationship with Director &amp; Executive</b>	:	None
<b>Company's securities holding as of 31<sup>st</sup> December 2022</b>	:	58,500 shares = 0.14% (no change) (Spouse – no share & no minor children)
<b>Work Experience</b>	:	2022 – 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
<b>Current position in another organization</b>		
- in listed companies	:	None
- in non-listed companies	:	1 company      : Director - H.W Schneider Co., Ltd.
- in other organizations	:	1 organization : President - Hartmuth & Illse Schneider Foundation for Children, Thailand
- in other organizations that may cause any conflict of interest to the Company	:	No position of director or executive in such an organization
<b>Numbers of meeting attendances</b>	:	5/5 times
<b>Year in Position / start from</b>	:	33 years / 27 <sup>th</sup> May 1990
<b>Conflict of Interest</b>	:	<ul style="list-style-type: none"> <li>- Not being a director who gets 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 linked to the Company which influent to the decision-making independently.</li> </ul>
<b>Records on Securities and Derivatives Illegal</b>	:	None

11. **Ms. Kasumi Takeuchi (34)**

<b>Position</b>	:	Non-executive Director
<b>Education</b>	:	<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’s degree in Law, University of Tokyo, Japan</li> </ul>
<b>Training by the Thai Institute of Directors Association (IOD)</b>	:	None
<b>Relationship with Director &amp; Executive</b>	:	Mr. Takaaki Takeuchi – Uncle
<b>Company’s securities holding as of 31<sup>st</sup> December 2022</b>	:	None
<b>Work Experience</b>	:	2019 – present      Managing Director, General Manager – Administration Division Takeuchi Press Industries Co., Ltd.  2017 – 2019        Director, Deputy General Manager – Administration Division Takeuchi Press Industries Co., Ltd.
<b>Current position in another organization</b>		
- in listed companies	:	None
- in non-listed companies	:	None
- in other organizations	:	No position of director, executive, or consultant in any organization such as an association or foundation
- in other organizations that may cause any conflict of interest to the Companyt	:	1 company            : Managing Director, General Manager - Administration Division Takeuchi Press Industries Co., Ltd.
<b>Numbers of meeting attendances</b>	:	5/5 times
<b>Year in Position / start from</b>	:	6 years / 20 <sup>th</sup> April 2017
<b>Conflict of Interest</b>	:	<ul style="list-style-type: none"> <li>- Not being a director who gets the monthly benefit from the Company</li> <li>- Not being any kind of service professional to the Company</li> <li>- Having a relationship with Takeuchi Press Industries CO., Ltd. linked to the Company which influent to the decision-making independently.</li> </ul>
<b>Records on Securities and Derivatives Illegal</b>	:	None





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

Name	:	Mrs. Theerapha Thirapatana								
Age	:	53 years								
Position	:	Account Finance and Administrative Division Manager & CFO								
Appointing Date	:	1 <sup>st</sup> February 2021								
Education	:	<ul style="list-style-type: none"><li>- Master’s Degree in Finance – The University of Technology Sydney, Sydney Australia</li><li>- Bachelor’s Degree in Accounting - Kasetsart University</li></ul>								
Training by IOD	:	<ul style="list-style-type: none"><li>- Orientation for Accounting and Finance</li><li>- Upgrade to the Next Normal Financial Professional</li><li>- Continuously developed skill in accounting 12 hours/year and other 6 hours/year</li></ul>								
Shareholding as of 31 <sup>st</sup> December 2022	:	100 shares = 0.001 %								
Relationship with Director & Executive	:	None								
Work Experience	:	<table><tr><td>2020 – present</td><td>Account Finance and Administrative Division Manager &amp; CFO Alucon Public Company Limited</td></tr><tr><td>2018 – 2020</td><td>CFO Ducati Motor (Thailand) Co., Ltd.</td></tr><tr><td>2017 – 2020</td><td>Finance Share Service Manager Faurecia Group</td></tr><tr><td>2013 – 2017</td><td>Financial Controller Lucy Electric (Thailand) Co., Ltd.</td></tr></table>	2020 – present	Account Finance and Administrative Division Manager & CFO Alucon Public Company Limited	2018 – 2020	CFO Ducati Motor (Thailand) Co., Ltd.	2017 – 2020	Finance Share Service Manager Faurecia Group	2013 – 2017	Financial Controller Lucy Electric (Thailand) Co., Ltd.
2020 – present	Account Finance and Administrative Division Manager & CFO Alucon Public Company Limited									
2018 – 2020	CFO Ducati Motor (Thailand) Co., Ltd.									
2017 – 2020	Finance Share Service Manager Faurecia Group									
2013 – 2017	Financial Controller Lucy Electric (Thailand) Co., Ltd.									
Records on Securities and Derivatives Illegal	:	None								

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

<b>Name</b>	:	Mrs. Tharnthip Choktumstit
<b>Age</b>	:	49 years
<b>Position</b>	:	Accounting Supervision / Accounting & Finance Manager
<b>Appointing Date</b>	:	1 <sup>st</sup> February 2021
<b>Education</b>	:	<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>
<b>Training by IOD</b>	:	<ul style="list-style-type: none"> <li>- TFRS for PAEs</li> <li>- Accounting and Taxation for the 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 style="margin-left: 40px;">Total continuous developed skill in accounting - 15 hours</p>
<b>Shareholding as of 31<sup>st</sup> December 2022</b>	:	None
<b>Relationship with Director &amp; Executive</b>	:	None
<b>Work Experience</b>	:	<div style="display: flex; justify-content: space-between;"> <div style="width: 40%;"> <p>2019 – present</p> <p>2012 – 2019</p> </div> <div style="width: 60%;"> <p>Manager of Accounting and Finance Department Alucon Public Company Limited</p> <p>Manager of Accounting and Finance Department Panasonic Appliances Cold Chain Co., Ltd.</p> </div> </div>
<b>Records on Securities and Derivatives Illegal</b>	:	None

## APPENDIX 2

---

### Details of the Directors of the Subsidiary

There are no subsidiary company

## APPENDIX 3

---

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

#### Internal Audit

Concerning 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's 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** : 20 years

**Responsibilities related to an internal audit** :

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

#### 2. Ms. Tanakorn Ratsuisaen

**Position** : Senior Internal Auditor

**Education** : Bachelor's degree - Business School of Mahasarakham University

**Work experience and related training** : 6 years

**Responsibilities related to an internal audit** :

- Plan and control the internal audit performance of each customer to be under the specified work plan.
- Provide knowledge and understanding about internal audits 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 it to the management as well as Audit Committee

## Compliance with Company Performance

The company has assigned Mr. Pitipong Archamongkol, Manager of the Legal Department to be responsible for supervising the Company's performance 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 operating the company's business which is detailed as follows:

### 1. Mr. Pitipong Archamongkol

**Position** : Legal Manager and Company Secretary

**Education** : - Bachelor's Degree in Law from Chulalongkorn University  
 - Master's Degree in Business Law from Chulalongkorn University  
 - Certificate in International Trade Law from Thammasat University

**Work Experience** : 26 years

**Training related to the 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 by 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 Appraisals

#### Lands and Office Buildings

Property Types / Characteristics	Type of Ownership	Book Values (MB)	Obligations
1. <b>Land:</b> No. 500 Moo 1 Soi Sirikam, Sukhumvit Road, Samrong Nua Sub-district, Muang Samutprakarn District, Samutprakarn Province Area 5 Rai 3 Ngan 69 Sq.Wah	Owned by Alucon	11.53	Free from obligation
2. <b>Land:</b> No. 500 Moo 1 Soi Sirikam, Sukhumvit Road, Samrong Nua Sub-district, Muang Samutprakarn District, Samutprakarn Province Area: 397 Sq.Wah	Owned by Alucon	10.51	Free from obligation
3. <b>Land:</b> No. 500 Moo 1 Soi Sirikam, Sukhumvit Road, Samrong Nua Sub-district, Muang Samutprakarn District, Samutprakarn Province Area 1 Rai 2 Ngan 2 Sq.Wa	Owned by Alucon	22.15	Free from obligation
4. <b>Land:</b> No. 272/5 Moo. 3 Pak-ruam Aow-Udom Road, Borwin Sub-district, Sriracha District, Chonburi Province Area 206 Rai 1 Ngan 71 Sq.Wah	Owned by Alucon	76.92	Free from obligation

Property Types / Characteristics	Type of Ownership	Book Values (MB)	Obligations
<b>5. Land:</b> No. 272/5 Moo. 3 Pak-ruam Aow-Udom Road, Borwin Sub-district, Sriracha District, Chonburi Province Area 29 Rai is used for Factory (Branch No. 1) which obtains the BOI promotions from BOI No. Aor.Gor. 0906/007694 dated 27th October 2008	Owned by Alucon	55.60	Free from obligation
<b>6. Office Building:</b> No. 500 Moo 1 Soi Sirikam, Sukhumvit Road, Samrong Nua Sub-district, Muang Samutprakarn District, Samutprakarn Province, which is a 3-story building, reinforced concrete structure, masonry wall, reinforced concrete floor that covered with rubber tiles and carpet. This building is divided into the 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.	Owned by Alucon	6.35	Free from obligation
<b>7. Office Building:</b> No. 272/5 Moo. 3 Pak-ruam Aow-Udom Road, Borwin Sub-district, Sriracha District, Chonburi Province, that is a 2-story Building with, steel structure, masonry wall, prefabricated concrete floors covered with ceramic tiles, that is used for Slugs factory, Cans factory, Tubes factory, and Caps factory, warehouse, and tools room	Owned by Alucon	620.18	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 / Characteristics	Type of Ownership	Book Values (MB)	Obligations
Land and improvements	Owned by Alucon	0.17	Free from obligation
Buildings and improvements	Owned by Alucon	-	Free from obligation
Machines and equipment	Owned by Alucon	1.12	Free from obligation
Furnishing, fixtures, and office equipment	Owned by Alucon	1.60	Free from obligation
Vehicles	Owned by Alucon	0.50	Free from obligation
Assets between construction	Owned by Alucon	-	Free from obligation
<b>Total</b>		3.39	

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

Property Types / Characteristics	Type of Ownership	Book Values (MB)	Obligations
Land and improvements	Owned by Alucon	47.38	Free from obligation
Buildings and improvements	Owned by Alucon	74.88	Free from obligation
Machines and equipment	Owned by Alucon	1,164.09	Free from obligation
Furnishing, fixtures, and office equipment	Owned by Alucon	0.05	Free from obligation
Vehicles	Owned by Alucon	1.49	Free from obligation
Assets between construction	Owned by Alucon	28.39	Free from obligation
<b>Total</b>		1,316.28	

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

Property Types / Characteristics	Type of Ownership	Book Values (MB)	Obligations
Land and improvements	Owned by Alucon	12.51	Free from obligation
Buildings and improvements	Owned by Alucon	19.74	Free from obligation
Machines and equipment	Owned by Alucon	325.13	Free from obligation
Furnishing, fixtures, and office equipment	Owned by Alucon	0.01	Free from obligation
Vehicles	Owned by Alucon	0.16	Free from obligation
Assets between construction	Owned by Alucon	2.67	Free from obligation
<b>Total</b>		360.22	

## APPENDIX 5

---

### Policy and Practice of Corporate Governance and Business Ethics that Company Being Have Made (Full Version)

#### 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

#### **The practice of good Corporate Governance**

The guideline comprises five principles that shaped 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 the 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

To make the working of Executives and Staff comply with the principle of good corporate governance, we have prepared a “Code of Business Ethics and Conduct” for executives and staff to adhere to as a guideline for working and jointly upholding 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 directors, 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 to lead the corporation to good corporate governance
Property:	Movable properties, real properties, technology, copyright, warrants right, patent including inventions
Exclusive Information:	Information belonging to or controlled by Alucon Public Company Limited, it's economically valuable information both at present and in the future. Persons who know such information must not disclose it to the public without permission of an authorized person such as information on customers and employees, information on sales and marketing, information on 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, staff, customers, suppliers, creditors, competitors, and society, etc.
Adherence to Legal Justice:	Decision-making and business operations to comply with related rules of law
Fairness and Morality:	To perform one's the 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, regulations, good tradition, and morality.
Responsibility:	Awareness of duty which one has to perform his best and efficiently

Definition	Meaning
Accountability:	Accepting 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 the rules and regulations of the company, and relevant laws including laws to be promulgated in the future that affects their management and work.

##### Code of Practice

1. Executives and staff must learn and understand rules used as a basis in working in public affairs 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 competitors neither getting from customers nor other persons.

#### 2. Have Transparency

Alucon has the transparency in decision-making and operation processes, 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 accounting, financial, business conditions, and operating performance, to show the financial status and operating performance of Alucon actually, accurately by accounting standards, 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 to create an ongoing friendly relationship in doing business, does not use selective treatment to anyone unfairly judged, using personal judgment or relation but gives opportunity to anyone 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 to make the shareholders trust and accept that actions 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 the provision of employment 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' expectations as well as to provide services to customers with honesty and fairness, not gains advantages at the expense of customers or cheating customers.
5. Executives and staff must perform compliance with the 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 the quality to make customers satisfied.

##### Code of Practice

1. Executives and staff must know and understand the products and services of Alucon thoroughly and must give accurate and complete information to customers.
2. Executives and staff must learn and understand customers' needs thoroughly before offering products and services to suitably respond to the customers' requirements and must always be interested and love to seek 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 a 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 efficient leading to excellence in service.
5. Executives and staff must respect customers' decisions and opinions, not even violate the personal right of customers.

#### **5. Be responsible for society**

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

##### Code of Practice

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

#### **6. Not involved in political activities**

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

##### Code of Practice

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

## Code of Business Conducts

It is a good business practice, to chart the operation of all sectors in 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 the personal benefit.
- Maintain one's dignity 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 a transfer of the company's assets by taking advantage of undisclosed inside information for one's benefit or the benefit of others.

### 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 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.
- Open to others' opinions with reason and without bias.
- Create unity and assist 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 benefit or the benefit of others.
- Abstain from acting or giving opinions to outsiders, the media, 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.

### 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 benefits..

- 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 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, or giving false or misleading information.
- Do not use images or content 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 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 promises or agreements cannot be kept, one must promptly negotiate with the partners in advance to solve problems or avoid damage.
- Maintain sustainable relationships with business partners, including cooperation in the 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 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 for the goods or services correctly and speedily.

### **3.4 Treatment of creditors**

- Strictly respect promises or agreements with creditors. If promises or agreements cannot be kept, one must promptly negotiate with the creditors in advance to solve problems or avoid damage.
- Manage work to ensure the creditors of the company's financial status and a good record of loan repayment.
- Manage the loans according to the objective of expenses; abstain from using the loans in a way that may cause damage to the company.
- Disclose information to the creditors in a complete, correct, and timely manner.

### **3.5 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 compared 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 for the 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 to improve the quality of the workplace given joint development.



- Equally respect the rights of expression of all employees without intervention; also, set up a process of hearings and complaints properly and fair.
- 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 about business competitors.
- Perform duties under the framework of fair competition; abstain from slandering business competitors through false or improper claims.
- The Promote exchange of information useful 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 a 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 the 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 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 the 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 violate these “Codes of Business Ethics and Conducts”. If it is unclear or any other problems except the Codes as stipulated may occur, executives and staff should consult with superiors to jointly solve the problem or find appropriate bounded duties.

## Appendix 6

---

### Report of the Audit Committee

Dear Shareholders,

The Audit Committee of Alucon Public Company Limited comprises 3 independent directors, consisting of

Ms. Vrinporn Uer-anant	Chairperson of the Audit Committee
Mr. Krit Indhewat	Member of the Audit Committee
Mr. Toshiyuki Koike	Member of the 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 the Board of Directors without limitation in obtaining information for performing its duties. The Audit Committee focuses on the implementation of the principles of corporate governance by the rules and best practices set by the Securities and Exchange Commission and the Stock Exchange of Thailand.

In 2022, 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 the auditor's opinion on the accuracy and completeness of the financial statements, and 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 by 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 reports 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 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 2023 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 under 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 commented on the connected transactions or potential conflicts of interest every quarter based on reasonability, transparency, and adequate information disclosure as a normal business for the extreme benefit to the Company. The Audit Committee considered that the management has decided to make such transactions for the benefit of the Company, as they normally do with a third parties in general including complaints related to anti-corruption policies.

#### 7. Auditor

The Audit Committee selected, appointed, and proposed the remuneration of the auditor for 2023 by considering the qualifications of the auditor, skills, knowledge, abilities, and experience in auditing, independence of the auditor by 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 the 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 2023.

#### 8. Self-assessment

The Audit Committee evaluated its performance using self-assessment as a group or as an 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 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 to achieve the Company's goals with professional quality and keep 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 Audit Committee  
Alucon Public Company Limited  
24<sup>th</sup> February 2023

## APPENDIX 7

---

### Report of the Risk Management Committee

Dear Shareholders,

The Board of Directors has significantly focused on risk management whether in terms of strategy or operating performance. The Risk Management Committee is responsible for ensuring that the Company's risk management is efficient and successful through a strategic plan, target attainment, compliance procedure, and control.

The Risk Management Committee is 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 the committee members are as follows:

- |    |                      |   |
|----|----------------------|---|
| 1. | Mr. Vibool Uer-anant | Chairman of the 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.

Concerning the performance for 2022, there was one risk management meeting to follow up on the assigned tasks and report to the Board of Directors the major issues as follows:

1. To manage the risk relating to the COVID-19 pandemic by setting up appropriate measures covering 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 2022 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, 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 2022, there was no amendment due to the current version is complete and appropriate.
5. To encourage the management and employee to realize the importance of risk management, to achieve the set goals. The Risk Management Committee is confident in the risk management under normal circumstances and in the event of the COVID-19 outbreak continuously and efficiently, by the principles and practices of good corporate governance as well as having an adequate internal control system 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 revise the Company's risk in 2022 of every department and it can be concluded that 2 items are on the high-risk level and 35 items are on the medium-risk level. The risk assessment normally carries out once a year.

For 2022, the overall industry continues to fluctuate due to economic conditions, the trade war, and the 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 focuses 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 at an appropriate level and it can be controlled to the acceptable level, which enables it to achieve its goals.

Mr. Vibool Uer-anant  
Chairman of Risk Management Committee  
24<sup>th</sup> February 2023



# Safety Activity 2022



Alucon Public Company Limited provides fire drills and escape evacuation rehearsal to all employees annually by experienced public safety officers and expertise for the safety of all employees.





## **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)