

**Crown Seal Public Company Limited**  
**Notes to interim financial statements**  
**For the three-month period ended 31 March 2023**

**1. General information**

**1.1 Basis for the preparation of interim financial information**

These interim financial information are prepared in accordance with Thai Accounting Standard No. 34 “*Interim Financial Reporting*”, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statement of financial position, statements of income, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial information are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial information should therefore be read in conjunction with the latest annual financial statements.

The interim financial information in Thai language are the official statutory financial statements of the Company. The interim financial information in English language have been translated from the Thai language interim financial information.

**1.2 Significant accounting policies**

The interim financial information are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2022.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023, do not have any significant impact on the Company's financial statements.

**2. Related party transactions**

During the periods, the Company had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties. There were no significant changes in the transfer pricing policy of transactions with related parties during the current period.

(Unaudited but reviewed)

Summaries significant business transactions with related parties were as follows.

(Unit: Thousand Baht)

For the three-month  
periods ended 31 March

	2023	2022
<b><u>Transactions with related companies</u></b>		
Sales of caps	280,016	277,734
Service income from printing sheets	24,280	24,338
Rental income	563	563
Sales of raw materials and spare parts	34	180
Administrative income	6,689	6,572
Purchases of raw materials and spare parts	3,749	3,243
Purchases of equipment	15,508	10,803
Royalty fee expense	3,587	3,385
Claim payment for damaged goods	322	2,163

**Directors and management's benefits**

The Company had employee benefit expenses payable to its directors and management as below.

(Unit: Thousand Baht)

For the three-month  
periods ended 31 March

	2023	2022
Short-term employee benefits	8,478	7,178
Post-employment benefits	102	151
Total	8,580	7,329

(Unaudited but reviewed)

### 3. Trade and other receivables

(Unit: Thousand Baht)

	31 March 2023	31 December 2022
<u>Trade accounts receivable - related parties</u>		
Aged on the basis of due dates		
Not yet due	145,842	122,130
Past due		
Up to 3 months	12,056	16,673
Total trade accounts receivable - related parties	157,898	138,803
<u>Trade accounts receivable - unrelated parties</u>		
Aged on the basis of due dates		
Not yet due	375,367	269,251
Past due		
Up to 3 months	75,664	128,580
3 - 6 months	42,122	23,040
6 - 12 months	33,876	40,330
Total trade accounts receivable - unrelated parties	527,029	461,201
Less: Allowance for expected credit losses	(13,514)	(16,123)
Trade accounts receivable - unrelated parties, net	513,515	445,078
<u>Other receivables - related parties</u>		
Accrued income	5,205	2,027
Total other receivables - related parties	5,205	2,027
<u>Other receivables - unrelated parties</u>		
Advances	2,217	1,418
Receivable from scrap sales	1,382	-
Others	1,755	998
Total other receivables - unrelated parties	5,354	2,416
Total trade and other receivables	681,972	588,324

**4. Inventories****Allowance for diminution in values of inventories**

Movements in the allowance for diminution in values of inventories account during the three-month period ended 31 March 2023 are summarised below.

(Unit: Thousand Baht)

Net book value as at 1 January 2023	20,304
Decrease during the period	<u>(1,223)</u>
Net book value as at 31 March 2023	<u><u>19,081</u></u>

**5. Other current financial assets**

Other current financial assets were bank deposits with maturity over 3 months of Baht 728 million (31 December 2022: Baht 647 million).

**6. Property, plant and equipment**

Movements of the property, plant and equipment account during the three-month period ended 31 March 2023 are summarised below.

(Unit: Thousand Baht)

Net book value as at 1 January 2023	1,505,899
Acquisitions during the period - at cost	32,236
Disposal/write-off during the period - net book value	(438)
Depreciation for the period	<u>(54,201)</u>
Net book value as at 31 March 2023	<u><u>1,483,496</u></u>

The Company shares the ownership of some building and machinery with Bangkok Can Manufacturing Co., Ltd., and recorded the assets in proportion to its ownership. The carrying amount of its share as at 31 March 2023 was Baht 51 million (31 December 2022: Baht 38 million).

(Unaudited but reviewed)

## 7. Income tax expense

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expense was made up as follows:

(Unit: Thousand Baht)

For the three-month  
periods ended 31 March

	2023	2022
<b>Current income tax:</b>		
Interim corporate income tax charge	10,028	13,734
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	1,676	2,460
<b>Income tax expense reported in the statement of income</b>	<u>11,704</u>	<u>16,194</u>

## 8. Segment information

The Company is organised into business units based on its products and services. During the current period, the Company has not changed the organisation of its reportable segments.

The following tables present revenue and profit information regarding the Company's operating segments for the three-month periods ended 31 March 2023 and 2022, respectively.

(Unit: Million Baht)

For the three-month periods ended 31 March

	Manufacture and sale of caps		Hire of printing sheets for can		Total	
	2023	2022	2023	2022	2023	2022
Sales and service income	937	936	25	26	962	962
<b>Operating results</b>						
Segment profit	<u>97</u>	<u>117</u>	<u>9</u>	<u>9</u>	106	126
Unallocated income and expenses						
Interest income					2	1
Other income					8	20
Administrative expenses					(54)	(51)
Profit before income tax expense					62	96
Income tax expense					(12)	(16)
Profit for the period					<u>50</u>	<u>80</u>

(Unaudited but reviewed)

## 9. Commitments and contingent liabilities

- a) The Company has commitments, which mature within one year, to local and overseas suppliers under purchase orders for purchase of machinery and equipment, as follows:

(Unit: Million)

Foreign Currency	31 March 2023
Baht	34.61
Pound Sterling	0.15

- b) As at 31 March 2023 the Company has bank guarantees issued by a bank on behalf of the Company of Baht 10.34 million for guarantee of electricity usage, and Baht 0.25 million for the purchase-sell agreements with a state agency.

## 10. Financial Instruments

### 10.1 Fair value of financial instruments

Most of the Company's financial instruments are classified as short-term or have interest rates that are close to market rate. Therefore, the carrying amounts of these financial instruments are estimated to approximate their fair value.

### 10.2 Fair value hierarchy

The Company had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	31 March 2023			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Financial assets measured at FVTPL -				
Equity instruments	1	-	-	1
Financial assets measured at FVOCI -				
Equity instruments	-	-	15	15
Derivatives - Foreign currency forward contracts	-	1	-	1

During the current period, the Company has not changed the method and assumptions used to estimate the fair value of financial instruments, and there is no transfer between the fair value hierarchy.

**11. Event after the reporting period**

The Company's Annual General Meeting of shareholders, held on 21 April 2023, approved dividend payments from the operating results for the year 2022 to the ordinary shareholders of Baht 114.40 million (Baht 2.20 per share), and to the preferred shareholders of Baht 2.96 million (Baht 3.70 per share), totaled Baht 117.36 million. The dividends will be paid to shareholders on 12 May 2023.

**12. Approval of interim financial information**

These interim financial information were authorised for issue by the Company's Board of Directors on 8 May 2023.