

1 Basis of preparation

The interim financial information has been prepared in accordance with Thai Accounting Standard (TAS) No. 34, Interim Financial Reporting and other financial reporting requirements issued under the Securities and Exchange Act.

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2023.

This interim financial information was authorised for issue by the Board of Directors on 6 August 2024.

An English version of the interim financial information has been prepared from the interim financial information that is in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial information shall prevail.

2 Accounting policies

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2023, except for the adoption of the new and amended financial reporting standards as described in Note 3.

3 Adoption of new and amended financial reporting standards and changes in accounting policies

3.1 Amended financial reporting standards that are effective for the accounting period beginning on or after 1 January 2024 and have significant impacts on the Company.

- a) Amendment to TAS 1 - Presentation of financial statements** revised the disclosure from 'significant accounting policies' to 'material accounting policies'. The amendment also provides guidelines on identifying when the accounting policy information is material. Consequently, immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.
- b) Amendment to TAS 8 - Accounting policies, changes in accounting estimates and errors** revised the definition of 'accounting estimates' to clarify how companies should distinguish between changes in accounting policies and changes in accounting estimates. The distinction is important because changes in accounting estimates are applied prospectively to transactions, other events and conditions from the date of that change. Whereas changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period as if the new accounting policy had always been applied.

c) Amendments to TAS 12 - Income taxes

Companies must recognise any deferred tax related to assets and liabilities arising from a single transaction that, on initial recognition, gives rise to equal amounts of taxable and deductible temporary differences. Example transactions are leases and decommissioning obligations.

The amendment should be applied to transactions on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that they can probably be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised at the beginning of retained earnings or any other component of equity, as appropriate.

New and amended Thai Financial Reporting Standards effective for the accounting periods beginning on or after 1 January 2024 do not have material impact on the Company.

4 Accounting estimates

The preparation of the interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

5 Segment and revenue information

The Company's director committee identified reportable segments of the business in order to measure the Company performance by product lines and services as follows:

	Financial Information		
	Manufacture and sale of caps Thousand Baht	Hire of printing sheets for can Thousand Baht	Total Thousand Baht
For the six-month period ended 30 June 2024			
Sales and service income	1,851,631	44,229	1,895,860
Operating results			
Segment profit	342,675	6,884	349,559
Interest income			13,419
Other income			32,259
Selling expenses			(42,855)
Administrative expenses			(111,760)
Financial cost			(371)
Gain from fair value on financial assets measured at fair value through profit or loss			15
Profit before income tax expenses			240,266
Income tax expenses			(47,793)
Profit for the period			192,473
Timing of revenue recognition			
At a point in time	1,851,631	44,229	1,895,860

Crown Seal Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 30 June 2024

	Financial Information		
	Manufacture and sale of caps Thousand Baht	Hire of printing sheets for can Thousand Baht	Total Thousand Baht
For the six-month period ended 30 June 2023			
Sales and service income	1,797,245	45,140	1,842,385
Operating results			
Segment profit	243,634	14,531	258,165
Interest income			4,337
Other income			22,569
Selling expenses			(43,565)
Administrative expenses			(107,574)
Financial cost			(333)
Loss arising from derecognition of financial asset measured at amortised cost			(11,525)
Gain from fair value on financial assets measured at fair value through profit or loss			36
Profit before income tax expenses			122,110
Income tax expenses			(28,367)
Profit for the period			93,743
Timing of revenue recognition			
At a point in time	1,797,245	45,140	1,842,385

6 Fair value

The following table presents financial assets and liabilities that are measured at fair value, excluding where its fair value is approximating the carrying amount.

	Financial Informations					
	Level 1		Level 2		Level 3	
	30 June 2024 Thousand Baht	31 December 2023 Thousand Baht	30 June 2024 Thousand Baht	31 December 2023 Thousand Baht	30 June 2024 Thousand Baht	31 December 2023 Thousand Baht
Financial Information						
Financial assets measured at fair value						
Financial assets measured at fair value profit or loss - Equity instrument	435	420	-	-	-	-
Financial assets measured at fair value profit comprehensive income - Equity instrument	-	-	-	-	10,024	10,024
Derivatives - forward contract	-	-	-	1,113	-	-
Investment properties	-	-	-	-	707,800	707,800
Land	-	-	-	-	166,900	166,900

Crown Seal Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 30 June 2024

Fair values are categorised into hierarchy based on inputs used as follows:

Level 1 : The fair value of financial instruments is based on the current bid price / closing price by active markets such as the Stock Exchange of Thailand / the Thai Bond Dealing Centre.

Level 2 : The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.

Level 3 : The fair value of financial instruments is not based on observable market data.

The Company did not have any transfers between levels during the period.

Valuation techniques used to measure fair value level 2

Fair value of foreign exchange contracts is determined using forward exchange rates that are quoted in an active market.

Valuation techniques used to measure fair value level 3

Fair value of unquoted equity investment is determined using valuation technique by comparable companies' market multiples with estimated based on public companies' enterprise value that, in the opinion of the Company, their financial positions are comparable financial position with the counterparties in the contract.

Fair value of investment properties and land were valued by independent professionally qualified valuers who hold a recognised relevant professional qualification and have recent experience in the locations and segments of the assets valued.

The following table shows financial assets and financial liabilities measured at amortised cost with a carrying amount that approximates fair value.

Financial information

Financial assets

- Cash and cash equivalents
- Fixed deposits with maturity over 3 months
- Trade and other current receivables, net
- Non-current trade receivable, net

Financial liabilities

- Trade and other current payables
- Income tax payable
- Other current liabilities

7 Trade and other receivables, net

Trade receivables, included in trade and other current receivables in statements of financial position, can be analysed by aging as follows:

	30 June 2024 Thousand Baht	31 December 2023 Thousand Baht
<u>Trade accounts receivable - related parties</u>		
Within due	125,654	119,154
Overdue		
Up to 1 months	14,635	14,930
Total trade accounts receivable - related parties	140,289	134,084

Crown Seal Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 30 June 2024

	30 June 2024	31 December 2023
	Thousand Baht	Thousand Baht
<u>Trade accounts receivable - other parties</u>		
Within due	366,584	321,941
Overdue		
Up to 3 months	90,823	56,119
3 - 6 months	-	595
6 - 12 months	360	7
Over 12 months	3,579	3,551
Total trade accounts receivable - other parties	461,346	382,213
<u>Less</u> Allowance for expected credit losses	(4,025)	(3,987)
Trade accounts receivable - other parties	457,321	378,226
Other receivables	9,129	8,857
Total trade and other current receivables, net	606,739	521,167

8 Inventories, net

	30 June 2024	31 December 2023
	Thousand Baht	Thousand Baht
Raw material	272,166	261,399
Spare parts	27,632	21,310
Work in progress	206,423	207,268
Goods in transit	3,010	5,567
Finished goods	293,833	310,955
Total	803,064	806,499
<u>Less</u> Allowance for net realisable value	(21,711)	(25,810)
Total inventories, net	781,353	780,689

9 Fixed deposits with maturity over 3 months

Fixed deposits with maturity over 3 months as at 30 June 2024 was Baht 910 million with interest rate between 2.02% to 2.25% per annum (31 December 2023: Baht 983 million with interest rate between 1.45% to 2.02% per annum).

Crown Seal Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 30 June 2024

10 Property, plant and equipment, net

Movements of the property, plant and equipment during the six-month period ended 30 June 2024 are as follows:

	<u>Thousand Baht</u>
Opening net book value, net	1,441,382
Addition	76,632
Disposal and write-off, net	(756)
Depreciation	(108,364)
Closing net book value, net	<u>1,408,894</u>

The Company shares the ownership of certain portions of 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 30 June 2024 was Baht 45.75 million (31 December 2023: Baht 46.69 million).

11 Trade and other current payables

	<u>2024</u>	<u>2023</u>
	<u>Thousand</u>	<u>Thousand</u>
	<u>Baht</u>	<u>Baht</u>
Trade payables - third parties	368,216	364,885
Trade payables - related parties (Note 14)	908	-
Other payables - third parties	90,673	62,041
Other payables - related parties (Note 14)	11,175	10,974
Deposits and unearned revenue	5,685	7,021
Payable purchase of property, plant and equipment - third parties	9,710	8,626
Payable purchase of property, plant and equipment - related parties (Note 14)	-	9,514
Total trade and other current payables	<u>486,367</u>	<u>463,061</u>

12 Income tax expense

The interim income tax expense is recognised based on management's estimate of the weighted average effective annual income tax rate expected for the full financial year. The estimated average annual tax rate used for the six-month ended to 30 June 2024 is 19.89 %, compared to 23.23 %, for the six-month ended 30 June 2023. The interim tax rate for the current period was lower than the previous period interim tax rate did not resulted in a significant difference.

13 Dividend payment

At the Annual General Meeting of 2023 on 26 April 2024, the shareholders had a resolution to approve the dividend payment of the Company's net profit for the year 2023 to the ordinary shareholders at the rate of Baht 1.83 per share totalling Baht 95.16 million and to the preferred shareholders at the rate Baht of 3.33 per share totalling Baht 2.66 million altogether Baht 97.82 million, The actual dividend paid amounting to 96.21 million, since the remaining dividend related to the securities holders that did not comply with the regulations of the securities depository. Currently, the company has allocated reserves in full in accordance with legal requirements.

14 Related party transactions

The Company's shares are held by Nippon Closure Co., Ltd at the proportion of 37.58% (31 December 2023: at the proportion of 37.58%). The remaining shares are widely held.

a) Transactions with related parties

The list of name and nature of relationship in related parties is summarised as follows:

Companies	Type of business	Relationships
Boonrawd Brewery Group	Manufacture and sale of beverages	Shareholder and common directors
Green Spot Co., Ltd.	Manufacture and sale of beverages	Shareholder
Thai Namthip Co., Ltd.	Manufacture and sale of beverages	Shareholder and common directors
Serm Suk Public Co., Ltd.	Manufacture and sale of beverages	Shareholder and common directors
Toyo Seikan Group Holdings, Ltd.	Manufacture and sale of packaging	Shareholder and common management
Nippon Closures Co., Ltd.	Manufacture and sale of packaging	Shareholder and common management
Bangkok Can Manufacturing Co., Ltd.	Manufacture and sale of 2 & 3 - piece cans	Common shareholders and directors
Toyo Seikan (Thailand) Co., Ltd.	Manufacture and sale of plastic packaging	Common shareholders and directors
Next Can Innovation Co., Ltd.	Manufacture and sale of 2-piece cans	Common shareholders and directors

Transactions with related parties for the six-month ended 30 June 2024 are as follows

	2024	2023	
	Thousand Baht	Thousand Baht	Pricing policies
Revenue from sales of products and services			
Related parties			
Sales of caps	564,157	561,318	Cost plus margin
Service income of printing sheets	42,775	43,288	Cost plus margin
Rental income	921	1,126	Contract price
Sales of raw materials and spare parts	236	98	Price charged to other customers in the normal course of business
Service income	9,622	9,744	Contract price

Crown Seal Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 30 June 2024

	2024	2023	
	Thousand	Thousand	
	Baht	Baht	Pricing policies
Purchased products and received services			
Related parties			
Purchases of raw materials, finished goods and spare parts	10,473	12,527	Cost plus margin
Purchases of equipment and machinery	80,008	16,426	Cost plus margin
Other transaction			
Related Parties			
Royalty fee expense	7,281	8,522	Percentage of net sales from each product
Claim payment for damaged goods	3,416	1,011	At cost
Dividends	65,033	77,944	

b) Outstanding balances arising from sales and purchases of goods and services

The outstanding balances at the end of the reporting period in relation to transactions with related parties are as follows:

	30 June	31 December
	2024	2023
	Thousand	Thousand
	Baht	Baht
Trade receivables		
Related parties	140,289	134,084
Other receivables		
Related parties	1,666	1,750
Trade payables		
Related parties	908	-
Other payables		
Related parties	11,175	10,974
Payable purchase of property, plant and equipment		
Related parties	-	9,514

c) Key management compensation

The compensation paid or payable to key management for the six-month period ended 30 June are as follows:

	30 June 2024 Thousand Baht	30 June 2023 Thousand Baht
Salaries and other short-term employee benefits	16,386	16,606
Employee benefits	630	177
Total	17,016	16,783

15 Commitments and contingent liabilities

Commitment from capital expenditure contracts

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:

	30 June 2024	31 December 2023
Foreign Currency		
Thousand Baht	33,349	23,891
Thousand Yen	-	333,569
Thousand Euro	129	176
Thousand US Dollar	39	-
Thousand Singapore Dollar	3	-

Guarantees

As at 30 June 2024, the Company has bank guarantees issued by a bank on behalf of the Company of Baht 10.35 million (31 December 2023: Baht 10.35 million) for guarantee of electricity usage.

16 Event after the reporting period

At the Board of Directors meeting on 6 August 2024, the Board of Directors had a resolution to approve a sale of an investment in a company which measured at fair value through OCI, totaling 290,331 shares with a book value of Baht 9.5 million to another company.