

1 General information

Stone One Public Company Limited (“the Company”) is a public limited company. It is incorporated in Thailand. The address of the Company’s registered office is as follows:

Head office : 29 Bangkok Business Center Building, 14th floor, Sukhumvit 63 Road, Khwaeng Khlongton Nua, Khet Wattana, Bangkok 10110
Branch 1 : 70/2, 70/3, 70/4, 70/5, 70/6 Moo 11, Soi Muban Nong Kha, Bang Phra, Si Racha, Chonburi 20110
Branch 2 : 91 Moo 10, Chom Bueng, Chom Bueng, Ratchaburi 70150

The principal business operations of the Company and its subsidiaries (“the Group”) are quarrying and selling of aggregate products.

This interim financial information was authorised by the Company’s Board of Directors on 9 November 2023.

This interim financial information has been reviewed, not audited.

2 Basis of preparation

The interim financial information has been prepared in accordance with Thai Accounting Standard (TAS) no. 34, Interim Financial Reporting.

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2022.

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.

3 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 2022.

New and amended Thai Financial Reporting Standards effective for the accounting periods beginning on or after 1 January 2023 do not have material impact to the Group.

The Group has not early adopted the amended financial reporting standards that are effective for accounting periods beginning or after 1 January 2024. The amended financial reporting standards do not have significant impacts to the Group.

4 Reclassification

The Group has changed the presentation of revenue from sales of by-product from revenue from sales and services to other income to reflect gross profit margin of the Group's main operations. The Group has, therefore, reclassified the comparative figures for comparison.

The impact on the consolidated and separate statements of comprehensive income for the period ended 30 September 2022 is as follows:

	Consolidated financial information		
	As previously reported Baht	Reclassification Baht	As reclassified Baht
For the three-month ended 30 September 2022			
Revenue from sales and services	60,046,295	(6,695,489)	53,350,806
Other income	4,975,424	6,695,489	11,670,913
For the nine-month ended 30 September 2022			
Revenue from sales and services	209,307,318	(22,648,612)	186,658,706
Other income	9,128,864	22,648,612	31,777,476
	Separate financial information		
	As previously reported Baht	Reclassification Baht	As reclassified Baht
For the three-month ended 30 September 2022			
Revenue from sales and services	60,349,348	(6,695,489)	53,653,859
Other income	8,055,904	6,695,489	14,751,393
For the nine-month ended 30 September 2022			
Revenue from sales and services	211,114,258	(22,648,612)	188,465,646
Other income	19,725,437	22,648,612	42,374,049

5 Estimates

The preparation of 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.

6 Segment and revenue information

The Group's chief operating decision maker is the Chief Executive Officer, who is responsible for allocating resources and assessing the performance of the operating segment by considering the group's performance in a single segment, an aggregate mining business, which is presented in the same format as presented in the financial statements. The Group measures performance based on operating profit.

Revenues of the Group are domestic transactions. Revenue from sales is recognised at a point in time while revenue from services is recognised on an overtime.

For the nine-month period ended 30 September	Consolidated financial information		Separate financial information	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Revenue from sales	226,075,328	175,322,104	226,075,328	177,129,043
Revenue from services	10,391,967	11,336,602	40,404,689	46,147,593
Total	236,467,295	186,658,706	266,480,017	223,276,636

Information about major customers

The Group does not have any revenue from customers that is 10% or more of the Group's revenues.

The Group sells its products through contracts that transfer the right to receive payment. It sells its products to many transport companies, which then resell them to manufacturing companies. The right to receive payments of the Group has been transferred from the transport companies to the manufacturers. During the period, this type of revenue amounted to Baht 75.90 million.

7 Fair value

The fair value of financial assets and financial liabilities of the Group is approximate the carrying amounts since the majority of the instruments are short-term in nature. Long-term loans from financial institution in which the fair value is equal its carrying amount, as the interest of loans is float rate except for long-term loans to a subsidiary in which the fair value is disclosed in Note 23.6.

8 Financial assets measured at amortised cost

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 September 2023 Baht	(Audited) 31 December 2022 Baht	(Unaudited) 30 September 2023 Baht	(Audited) 31 December 2022 Baht
Fixed deposits at financial institutions	40,489,193	40,484,047	40,002,000	40,000,000

As at 30 September 2023, fixed deposits at financial institutions are fixed deposit between 3 months to 6 months carry interest at the rate 0.6% to 1% per annum.

9 Trade and other receivables, net

The detail of trade and other receivables is as follows:

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 September 2023 Baht	(Audited) 31 December 2022 Baht	(Unaudited) 30 September 2023 Baht	(Audited) 31 December 2022 Baht
Trade receivables - others	141,011,773	124,392,375	141,011,773	124,392,375
<u>Less</u> Allowance for expected credit loss	(102,904,520)	(103,422,483)	(102,904,520)	(103,422,483)
Total trade receivables, net	38,107,253	20,969,892	38,107,253	20,969,892
Other receivables				
- related parties (Note 23.3)	-	-	20,82,461	14,361,264
Prepaid expenses	2,838,413	3,455,713	2,715,920	2,738,567
Advance payments				
- others	2,842,242	1,549,403	552,737	1,274,705
- related parties (Note 23.3)	-	-	897,279	1,149,837
Others	144,011	243,565	139,013	135,066
Total	43,931,919	26,218,573	62,754,663	40,629,331

The aging analysis of trade receivables is as follows:

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 September 2023 Baht	(Audited) 31 December 2022 Baht	(Unaudited) 30 September 2023 Baht	(Audited) 31 December 2022 Baht
Within credit term	29,629,313	14,071,974	29,629,313	14,071,974
Overdue below 3 months	8,477,940	6,897,918	8,477,940	6,897,918
Overdue 3 - 6 months	-	-	-	-
Overdue 6 - 12 months	-	-	-	-
Overdue more than 12 months	102,904,520	103,422,483	102,904,520	103,422,483
Total	141,011,773	124,392,375	141,011,773	124,392,375
<u>Less</u> Allowance for expected credit loss	(102,904,520)	(103,422,483)	(102,904,520)	(103,422,483)
Trade receivables, net	38,107,253	20,969,892	38,107,253	20,969,892

10 Inventories, net

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 September 2023 Baht	(Audited) 31 December 2022 Baht	(Unaudited) 30 September 2023 Baht	(Audited) 31 December 2022 Baht
Raw materials	6,543,006	10,504,152	4,098,774	6,473,489
Semi-finished goods	89,866,874	78,175,733	72,415,660	62,427,836
Finished goods	43,582,120	30,960,422	4,686,229	667,344
Spare parts and supplies	12,830,733	12,157,537	8,032,211	7,088,010
	152,822,733	131,797,844	89,232,874	76,656,679
<u>Less</u> Allowance for net realisable value	(11,197,094)	(11,251,337)	(3,782,122)	(4,011,907)
Total	141,625,639	120,546,507	85,450,752	72,644,772

11 Investment in a subsidiary

Investment in a subsidiary is as follows:

Entity name	Country of incorporation	Nature of business	% of ownership interest		Investment at cost method	
			(Unaudited) 30 September 2023 %	(Audited) 31 December 2022 %	(Unaudited) 30 September 2023 Baht	(Audited) 31 December 2022 Baht
Subsidiary						
Rachaburi Enterprise Company Limited	Thailand	Quarrying	99.99	99.99	181,924,740	181,924,740

12 Property plant and equipment and intangible assets, net

Change in property plant and equipment and intangible assets-net is as follows:

	Consolidated financial information	
	Property, plant and equipment Baht	Intangible assets Baht
For the nine-month period ended 30 September 2023		
Opening book value, net (Audited)	326,998,863	14,491,672
Addition	35,255,164	-
Disposal, net	(686,776)	-
Write-off, net	(236,964)	-
Transfer from right-of-use assets	19,777,965	-
Depreciation/amortisation	(26,589,835)	(2,103,515)
Closing book value, net (Unaudited)	354,488,417	12,388,157
	Separated financial information	
	Property, plant and equipment Baht	Intangible assets Baht
For the nine-month period ended 30 September 2023		
Opening book value, net (Audited)	139,431,897	3,399,327
Addition	7,967,676	-
Disposal, net	(935,199)	-
Write-off, net	(236,964)	-
Depreciation/amortisation	(18,898,613)	(875,370)
Closing book value, net (Unaudited)	127,328,797	2,523,957

As at 30 September 2023, part of land of the Company has been mortgaged as collateral for credit facilities of the Group with a net book value of Bath 13.85 million (Note 15.1) and partial machinery of the subsidiary with book value of Baht 22.20 million has been mortgaged as collateral for long-term loans from financial institution of subsidiary (Note 15.2).

13 Right-of-use assets, net

Change in right-of-use assets, net is as follows:

	Consolidated financial information	Separate financial information
	30 September 2023 Baht	30 September 2023 Baht
Opening book value, net (Audited)	48,197,671	24,437,309
Addition	9,65,768	388,247

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Transfer to property, plant, and equipment	(19,777,965)	-
Depreciation	(7,071,699)	(5,400,321)
Closing book value, net (Unaudited)	30,993,775	19,425,235

14 Deferred excavation costs, net

Change of deferred excavation cost is as follows:

	Consolidated financial information	Separate financial information
	30 September 2023 Baht	30 September 2023 Baht
Opening book value, net (Audited)	10,157,281	9,007,444
Amortisation	(3,164,993)	(2,912,436)
Closing net book value, net (Unaudited)	6,992,288	6,095,008

15 Short-term loan from financial institution

15.1 Short-term loan from financial institution

	Consolidated financial information	
	(Unaudited) 30 September 2023 Baht	(Audited) 31 December 2022 Baht
Short-term loan from financial institution	4,000,000	-

The movement of short-term loan from financial institution can be analysed as follow:

	Consolidated financial information 30 September 2023 Baht
Opening balance (Audited)	-
Cash flows:	
Addition during the period	16,000,000
Payment during the period	(12,000,000)
Closing balance (Unaudited)	4,000,000

As at 30 September 2023, short-term loan from financial institution bears interest at the rate of 4.8% per annum and partial land and building of the Company amounting to Baht 13.85 million has been mortgaged as collateral for credit facilities of the Group (Note 12).

15.2 Long-term loans from financial institution

	Consolidated financial information	
	(Unaudited) 30 September 2023 Baht	(Audited) 31 December 2022 Baht
Long-term loans from financial institution		
- due for repayment within 1 year	5,388,149	4,934,241
Long-term loans from financial institution		
- due for repayment later than 1 year	13,550,507	6,065,759
	18,938,656	11,000,000

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Movement of long-term loans from financial institution is as follows:

	Consolidated financial information
	30 September 2023 Baht
Opening balance (Audited)	11,000,000
Addition during the period	11,000,000
Payment during the period	(3,061,344)
Closing balance (Unaudited)	18,938,656

As at 30 September 2023, long-term loans from financial institution of the Subsidiary bear an interest rate at MLR minus 2.43% and start paying from 2023 until 2027. The Company has provided loan guarantee the Subsidiary. Partial machinery of the Subsidiary with book value of Baht 22.20 million has been mortgaged as collateral for credit facilities (Note 12).

16 Trade and other payables

	Consolidated financial information		Separate financial information	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	30 September 2023 Baht	31 December 2022 Baht	30 September 2023 Baht	31 December 2022 Baht
Trade payables - others	10,886,469	14,898,653	5,068,457	5,897,435
- related parties (Note 23.3)	-	-	18,737,170	15,523,015
Advance received for goods and services	2,250,235	1,037,568	2,250,235	1,037,568
Other payables - others	9,081,243	8,240,714	5,608,183	5,046,947
- related parties (Note 23.3)	123,906	230,692	123,906	230,692
Accrued expenses	7,200,135	3,610,419	4,396,086	1,899,203
Retention	667,050	417,600	400,000	400,000
Others	75,370	26,610	5,961	26,610
Total	30,248,408	28,462,256	36,589,998	30,061,470

Revenue recognised in relation to contract liabilities

Revenue recognised in the current reporting period relates to carried-forward advance received for goods and services which is contract liabilities that is satisfied in a prior year.

	Consolidated financial information
	(Unaudited)
	30 September 2023 Baht
Revenue recognised included in the contract liability balance at the beginning of the period	494,492

17 Lease liabilities, net

Maturity of lease liabilities is as follows:

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 September 2023 Baht	(Audited) 31 December 2022 Baht	(Unaudited) 30 September 2023 Baht	(Audited) 31 December 2022 Baht
Minimum lease liabilities payments				
Not later than one year	12,746,489	14,325,952	9,621,787	8,729,076
Later than 1 year but not later than 5 years	15,963,912	18,181,125	9,859,312	17,009,936
	28,710,401	32,507,077	19,481,099	25,739,012
<u>Less</u> Future finance charges on leases	(1,928,628)	(2,256,572)	(1,171,735)	(1,966,678)
Present value of lease liabilities	26,781,773	30,250,505	18,309,364	23,772,334
Lease liabilities				
Current	11,661,467	13,050,348	8,895,452	7,690,063
Non-current	15,120,306	17,200,157	9,413,912	16,082,271
	26,781,773	30,250,505	18,309,364	23,772,334
Present value of lease liabilities				
Not later than one year	11,661,467	13,050,348	8,895,452	7,690,063
Later than 1 year but not later than 5 years	15,120,306	17,200,157	9,413,912	16,082,271
	26,781,773	30,250,505	18,309,364	23,772,334

18 Employee benefit obligations

The movement in the employee benefit obligation is as follows:

	Consolidated financial information	Separate financial information
	30 September 2023 Baht	30 September 2023 Baht
Opening balance (Audited)	24,750,103	19,730,712
Current service cost	2,568,940	2,006,586
Interest cost	408,088	309,205
	27,727,131	22,046,503
Remeasurements:		
Loss from change in demographic assumptions	407,590	369,110
(Gain) from change in financial assumptions	(1,133,294)	(971,360)
Experience gain	(1,894,471)	(1,707,249)
Payment from plans:		
Benefit payment	(2,096,800)	(2,096,800)
Closing balance (Unaudited)	23,010,156	17,640,204

19 Share capital

	Registered share capital		Issued and paid-up share capital	
	Number of Shares	Amount Baht	Number of Shares	Amount Baht
At 1 January 2023	24,213,460	242,134,600	24,213,460	242,134,600
Ordinary shares split	217,921,140	-	217,921,140	-
Increase registered capital	65,000,000	65,000,000	-	-
At 30 September 2023	307,134,600	307,134,600	242,134,600	242,134,600

According to the Extraordinary General Meeting of Shareholders 1/2023 held on 31 May 2023, the meeting resolved to:

- Approve the change of share value from Baht 10 per share to Baht 1 per share. The Company's registered ordinary shares increased from 24.21 million shares to 242.13 million shares. The Company registered the change of share value with the Ministry of Commerce on 6 June 2023.
- Approve the increase of registered share capital by 65,000,000 shares with a par value of Baht 1 per share, totalling Baht 65,000,000. After the capital increase, the Company had 307,134,600 ordinary shares with a par value of Baht 1 per share, totalling Baht 307,134,600. The Company registered the capital increase with the Ministry of Commerce on 6 June 2023.

20 Other income

	Consolidated financial information		Separate financial information	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
For the three-month period ended 30 September				
Revenue from sales of by-products	8,759,652	6,695,489	8,759,653	6,695,489
Rental income	-	-	3,258,000	3,258,000
Interest income	73,028	137,842	439,897	314,014
Gain on disposal of fixed assets	14,980,023	-	15,362,443	-
Bad debt recovery	172,654	172,655	172,654	172,654
Others	99,625	4,664,927	99,623	4,311,236
Total	24,084,982	11,670,913	28,092,270	14,751,393
For the nine-month period ended 30 September				
Revenue from by-products	28,166,702	22,648,612	28,166,702	22,648,612
Rental income	-	-	9,774,000	9,774,000
Interest income	273,704	419,918	1,240,535	766,346
Gain on disposal of fixed assets	15,316,957	-	15,699,377	861,810
Bad debt recovery	517,963	1,444,937	517,963	1,444,937
Others	764,010	7,264,009	711,330	6,878,344
Total	45,039,336	31,777,476	56,109,907	42,374,049

21 Income tax expense

The interim income tax expense is accrued by management's estimate using the tax rate that based on the expected profit for the full year. The estimated tax rate for the consolidated financial information is 22.34% per annum (30 September 2022: 28.55% per annum) and the estimated tax rate for the separate financial information is 22.86% per annum (30 September 2022: 35.77% per annum). Change in tax rate from prior period is due to irregular tax-added items decreased from prior period.

22 Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to owners of the parent by the weighted average number of ordinary shares in issue during the period.

	Consolidated financial information		Separate financial information	
	Unaudited 2023	Unaudited 2022	Unaudited 2023	Unaudited 2022
For the three-month period ended 30 September				
Net profit attributable to owner of the parent (Baht)	17,801,033	5,166,256	18,273,815	1,581,446
Weighted average number of paid-up ordinary shares in issued (Shares)	242,134,600	242,134,600	242,134,600	242,134,600
Basic earnings per share (Baht per share)	0.07	0.02	0.08	0.01
	Consolidated financial information		Separate financial information	
	(Unaudited) 2023	(Unaudited) 2022	(Unaudited) 2023	(Unaudited) 2022
For the nine-month period ended 30 September				
Net profit attributable to owner of the parent (Baht)	32,703,868	17,609,774	29,044,503	6,234,342
Weighted average number of paid-up ordinary shares in issued (Shares)	242,134,600	242,134,600	242,134,600	242,134,600
Basic earnings per share (Baht per share)	0.14	0.07	0.12	0.03

Referring to note 19, the Company changed its par value from Baht 10 per share to Baht 1 per share. The Company adjusted its number of weighted outstanding ordinary shares for the period ended 30 September 2022 to reflect change of par value of ordinary shares as if the event has occurred at the beginning of the earliest period presented.

23 Related-party transactions

23.1 Related parties

The Company is a public listed company. The first major shareholder is Dragon One Company Limited which owns 32.66% of the Company's share and has representative in the Company's board of directors. Mr. Ikuo Ano owns 32.57% of the Company's shares and is the Company's board of directors.

Related parties are as follows:

Name	Type
Dragon One Company Limited	Major shareholder
Ratchaburi Enterprise Co., Ltd.	Subsidiary
Mazda Chonburi Plc.	Common major shareholder and some directors
Motor Plus Co., Ltd.	Common major shareholder and some directors
A-Host Co., Ltd.	Common major shareholder and some directors

23.2 Transactions incurred during the periods

For the nine-month period ended 30 September	Consolidated financial information		Separate financial information	
	(Unaudited) 2023 Baht	(Audited) 2022 Baht	(Unaudited) 2023 Baht	(Audited) 2022 Baht
<u>Management income</u>				
Subsidiary	-	-	30,012,722	34,810,990
<u>Rental income</u>				
Subsidiary	-	-	9,774,000	11,580,940
<u>Interest income</u>				
Subsidiary	-	-	981,517	351,371
<u>Sales of assets</u>				
Subsidiary	-	-	630,843	3,637,312
<u>Purchases of finished goods</u>				
Subsidiary	-	-	137,598,009	141,079,877
<u>Service and Rental expenses</u>				
Related parties	1,116,238	1,131,374	1,116,238	1,131,374

23.3 Outstanding balances at the end of the period

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 September 2023 Baht	(Audited) 31 December 2022 Baht	(Unaudited) 30 September 2023 Baht	(Audited) 31 December 2022 Baht
<u>Other receivables</u>				
Subsidiary	-	-	20,882,461	14,361,264
<u>Advance payments</u>				
Subsidiary	-	-	897,279	1,149,837
<u>Trade account payables</u>				
Subsidiary	-	-	18,737,170	15,523,015
<u>Other payables</u>				
Related parties	123,906	230,692	123,906	230,692
<u>Accrued expenses</u>				
Subsidiary	-	-	115,356	-
<u>Lease liabilities</u>				
Related parties	359,520	85,600	359,520	85,600

23.4 Key management compensation

Key management compensation can be categorised as follows:

For the nine-month period ended 30 September	Consolidated and separate financial information	
	(Unaudited) 2023 Baht	(Unaudited) 2022 Baht
Short-term benefits	13,100,224	13,477,352

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Post-employee benefits	1,107,042	908,926
Total	14,207,266	14,386,278

23.5 Short-term loan to a subsidiary

	Separate financial information	
	(Unaudited) 30 September 2023 Baht	(Audited) 31 December 2022 Baht
Short-term loan to a subsidiary	20,000,000	-
Total	20,000,000	-

Change in short-term loan to a subsidiary is as follows:

	Separate financial information Baht
Balance as at 1 January 2023 (Audited)	-
Addition	20,000,000
Balance as at 30 September 2023 (Unaudited)	20,000,000

On 30 September 2023, short-term loan to a subsidiary of Baht 20 million including loan of Baht 10 million bearing the interest rate of 2.3% per annum. The first installment due in December 2023 and due within April 2024 and Baht 10 million bearing the interest rate of 2.3% per annum. The first installment due in March 2024 and due within August 2024.

23.6 Long-term loans to a subsidiary

	Separate financial information	
	(Unaudited) 30 September 2023 Baht	(Audited) 31 December 2022 Baht
Due for repayment within 1 year	12,214,286	6,666,667
Due for repayment later than 1 year	44,785,714	52,000,000
Total	57,000,000	58,666,667

Change in long-term loans to a subsidiary is as follows:

	Separate financial information Baht
Balance as at 1 January 2023 (Audited)	58,666,667
Addition	5,000,000
Receive repayment	(6,666,667)
Balance as at 30 September 2023 (Unaudited)	57,000,000

As at 30 September 2023, long-term loans to a subsidiary bear interest rate of 2.05% per annum and gradually repay. The loans are due on 30 June 2027. Fair value of loans is Baht 51.01 million. The fair value is determined in level 2 of fair value, calculated by discounted cash flow model over the loan period based on market interest rate.

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As at 30 September 2023, there is no significant change in contingent liabilities from the disclosures in the financial statements for the year ended 31 December 2022.