

Lanna Resources Public Company Limited
and its subsidiaries
Review report and interim financial information
For the three-month and six-month periods ended
30 June 2023

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Lanna Resources Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Lanna Resources Public Company Limited and its subsidiaries as at 30 June 2023, the related consolidated statements of income and comprehensive income for the three-month and six-month periods then ended, and the related consolidated statements of changes in shareholders' equity and cash flows for the six-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of Lanna Resources Public Company Limited for the same period (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 Interim Financial Reporting.

Patcharawan Koonarangsri
Certified Public Accountant (Thailand) No. 6650

EY Office Limited
Bangkok: 10 August 2023

Lanna Resources Public Company Limited and its subsidiaries

Statements of financial position

As at 30 June 2023

(Unit: Thousand Baht)

	Note	Consolidated financial statements			Separate financial statements	
		30 June	31 December	1 January	30 June	31 December
		2023	2022	2022	2023	2022
		(Unaudited but reviewed)	(Audited) (Restated)		(Unaudited but reviewed)	(Audited)
Assets						
Current assets						
Cash and cash equivalents		2,900,058	3,028,666	2,163,718	1,149,070	987,798
Trade and other receivables	3, 4	2,273,186	1,879,512	1,666,081	268,736	485,253
Inventories		995,104	583,222	525,525	271,467	207,636
Value added tax refundable		918,830	814,917	692,663	2,340	-
Prepaid income tax		113,935	66,446	124,012	-	-
Advance payments for goods	3	83,463	584,318	316,458	12,949	56,926
Other current financial assets	5	1,646,764	1,443,576	551,099	1,645,684	1,442,502
Other current assets		455,470	264,066	130,312	5,631	2,551
Total current assets		9,386,810	8,664,723	6,169,868	3,355,877	3,182,666
Non-current assets						
Restricted bank deposits	6	378,578	434,883	343,225	-	-
Investments in subsidiaries	7	-	-	-	792,673	794,315
Investments in associated companies	8	463,706	383,383	173,043	59,328	59,328
Long-term loan to related party	3	45,680	90,194	105,811	45,680	90,194
Investment properties		48,231	50,149	57,533	28,691	29,451
Biological asset		17,438	15,169	11,577	-	-
Property, plant and equipment	9	4,040,181	3,997,391	4,027,175	336,988	335,705
Right-of-use assets		66,448	71,420	89,885	35,574	34,890
Goodwill		186,000	186,000	186,000	-	-
Intangible assets	10	58,220	75,256	106,573	54,735	73,128
Deferred tax assets		50,208	70,338	51,637	61,561	61,638
Other non-current financial assets		7,263	5,718	7,949	4,777	3,307
Other non-current assets	11	865,895	909,178	691,703	-	-
Total non-current assets		6,227,848	6,289,079	5,852,111	1,420,007	1,481,956
Total assets		15,614,658	14,953,802	12,021,979	4,775,884	4,664,622

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

Lanna Resources Public Company Limited and its subsidiaries

Statements of financial position (continued)

As at 30 June 2023

(Unit: Thousand Baht)

	Note	Consolidated financial statements			Separate financial statements	
		30 June	31 December	1 January	30 June	31 December
		2023	2022	2022	2023	2022
		(Unaudited but reviewed)	(Audited) (Restated)		(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity						
Current liabilities						
Short-term loans from financial institutions	12	1,109,563	1,303,948	763,613	-	-
Trade and other payables	3, 13	898,711	743,886	529,706	37,421	43,361
Current portion of long-term loans from financial institutions	14	306,022	321,044	291,605	-	-
Current portion of lease liabilities		34,229	29,608	30,423	13,851	11,737
Accrued expenses		608,397	303,532	399,329	11,841	52,612
Income tax payable		450,818	1,005,939	915,767	-	-
Other current financial liabilities		4,697	8,348	4,578	1,111	4,761
Other current liabilities		322,806	346,993	278,897	12,487	8,381
Total current liabilities		3,735,243	4,063,298	3,213,918	76,711	120,852
Non-current liabilities						
Long-term loans from financial institutions - net of current portion	14	288,765	384,304	619,088	-	-
Lease liabilities from financial institutions - net of current portion		37,146	44,846	62,536	23,873	25,193
Provision for long-term employee benefits		227,621	203,761	203,690	50,582	51,164
Provision for mine reclamation and decommissioning costs		145,269	130,672	124,990	-	-
Deferred tax liabilities		470,630	445,162	226,333	-	-
Total non-current liabilities		1,169,431	1,208,745	1,236,637	74,455	76,357
Total liabilities		4,904,674	5,272,043	4,450,555	151,166	197,209

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

Lanna Resources Public Company Limited and its subsidiaries

Statements of financial position (continued)

As at 30 June 2023

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements	
	30 June 2023	31 December 2022	1 January 2022	30 June 2023	31 December 2022
	(Unaudited but reviewed)	(Audited (Restated))		(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity (continued)					
Shareholders' equity					
Share capital					
Registered, issued and fully paid up					
524,999,679 ordinary shares of Baht 1 each	525,000	525,000	525,000	525,000	525,000
Share premium	680,400	680,400	680,400	680,400	680,400
Retained earnings					
Appropriated - Statutory reserve	52,500	52,500	52,500	52,500	52,500
Appropriated - General reserve	1,310,600	1,310,600	1,310,600	1,310,600	1,310,600
Unappropriated	5,281,726	4,673,393	2,995,597	2,056,218	1,898,913
Other components of shareholders' equity	285,253	188,784	115,153	-	-
Equity attributable to owners of the Company	8,135,479	7,430,677	5,679,250	4,624,718	4,467,413
Non-controlling interests of the subsidiaries	2,574,505	2,251,082	1,892,174	-	-
Total shareholders' equity	10,709,984	9,681,759	7,571,424	4,624,718	4,467,413
Total liabilities and shareholders' equity	15,614,658	14,953,802	12,021,979	4,775,884	4,664,622
	-	-	-	-	-

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

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Directors
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Lanna Resources Public Company Limited and its subsidiaries**Income statements****For the three-month period ended 30 June 2023**

(Unit: Thousand Baht except earnings per share presented in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		<u>2023</u>	<u>2022</u> (Restated)	<u>2023</u>	<u>2022</u>
Revenues					
Sales	3	6,127,870	7,603,767	407,202	504,924
Commission and marketing service income	3	-	-	76,851	75,718
Other income					
Dividend income	3, 7, 8	-	-	561,770	658,493
Service income	3	-	-	23,348	21,335
Gain on exchange		-	-	14,918	21,116
Others		20,362	16,429	1,003	383
Total other income		20,362	16,429	601,039	701,327
Total revenues		6,148,232	7,620,196	1,085,092	1,281,969
Expenses					
Cost of sales	3	3,007,020	2,547,485	371,362	419,704
Selling and distribution expenses		1,392,363	1,875,747	40,794	37,201
Administrative expenses		171,602	186,436	56,167	45,213
Loss on exchange		29,398	12,053	-	-
Total expenses		4,600,383	4,621,721	468,323	502,118
Operating profit		1,547,849	2,998,475	616,769	779,851
Share of profit from investments in associated companies	8	52,641	59,163	-	-
Finance income	3	16,526	5,420	8,456	2,320
Finance cost		(23,012)	(15,012)	(598)	(641)
Profit before income tax expenses		1,594,004	3,048,046	624,627	781,530
Income tax expenses	15	(573,185)	(1,092,486)	(128,399)	(148,554)
Profit for the period		1,020,819	1,955,560	496,228	632,976
Profit attributable to:					
Equity holders of the Company		641,432	1,198,170	496,228	632,976
Non-controlling interests of the subsidiaries		379,387	757,390		
		<u>1,020,819</u>	<u>1,955,560</u>		
Basic earnings per share					
Profit attributable to equity holders of the Company (Baht)	16	1.22	2.28	0.95	1.21
Weighted average number of ordinary shares (Thousand shares)		525,000	525,000	525,000	525,000

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

(Unaudited but reviewed)

Lanna Resources Public Company Limited and its subsidiaries

Statements of comprehensive income

For the three-month period ended 30 June 2023

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2023</u>	<u>2022</u> (Restated)	<u>2023</u>	<u>2022</u>
Profit for the period	<u>1,020,819</u>	<u>1,955,560</u>	<u>496,228</u>	<u>632,976</u>
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>				
Exchange differences on translation of financial statements in foreign currency	<u>202,819</u>	<u>248,203</u>	<u>-</u>	<u>-</u>
Other comprehensive income to be reclassified to profit or loss in subsequent periods	<u>202,819</u>	<u>248,203</u>	<u>-</u>	<u>-</u>
Other comprehensive income for the period	<u>202,819</u>	<u>248,203</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u>1,223,638</u>	<u>2,203,763</u>	<u>496,228</u>	<u>632,976</u>
Total comprehensive income attributable to:				
Equity holders of the Company	<u>765,941</u>	<u>1,351,273</u>	<u>496,228</u>	<u>632,976</u>
Non-controlling interests of the subsidiaries	<u>457,697</u>	<u>852,490</u>		
	<u>1,223,638</u>	<u>2,203,763</u>		

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

Lanna Resources Public Company Limited and its subsidiaries**Income statements****For the six-month period ended 30 June 2023**

(Unit: Thousand Baht except earnings per share presented in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		<u>2023</u>	<u>2022</u> (Restated)	<u>2023</u>	<u>2022</u>
Revenues					
Sales	3	12,883,472	12,571,506	1,035,176	968,084
Commission and marketing service income	3	-	-	150,650	131,025
Other income					
Dividend income	3, 7, 8	-	-	1,099,503	965,032
Service income	3	-	-	46,605	36,410
Gain on exchange		30,308	-	16,683	19,010
Others		55,395	63,050	1,906	10,542
Total other income		85,703	63,050	1,164,697	1,030,994
Total revenues		12,969,175	12,634,556	2,350,523	2,130,103
Expenses					
Cost of sales	3	5,998,101	4,818,017	951,866	821,403
Selling and distribution expenses		3,078,823	2,934,051	97,258	74,857
Administrative expenses		308,578	321,254	89,594	104,235
Loss on exchange		-	16,896	-	-
Total expenses		9,385,502	8,090,218	1,138,718	1,000,495
Operating profit		3,583,673	4,544,338	1,211,805	1,129,608
Share of profit from investments in associated companies	8	90,990	85,835	-	-
Finance income	3	29,716	14,358	14,609	3,903
Finance cost		(43,755)	(28,991)	(1,130)	(1,292)
Profit before income tax expenses		3,660,624	4,615,540	1,225,284	1,132,219
Income tax expenses	15	(1,336,858)	(1,648,389)	(254,229)	(218,270)
Profit for the period		2,323,766	2,967,151	971,055	913,949
Profit attributable to:					
Equity holders of the Company		1,422,105	1,813,412	971,055	913,949
Non-controlling interests of the subsidiaries		901,661	1,153,739		
		<u>2,323,766</u>	<u>2,967,151</u>		
Basic earnings per share					
Profit attributable to equity holders of the Company (Baht)	16	2.71	3.45	1.85	1.74
Weighted average number of ordinary shares (Thousand shares)		525,000	525,000	525,000	525,000

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

(Unaudited but reviewed)

Lanna Resources Public Company Limited and its subsidiaries

Statements of comprehensive income

For the six-month period ended 30 June 2023

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
<u>Note</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
		(Restated)		
Profit for the period	<u>2,323,766</u>	<u>2,967,151</u>	<u>971,055</u>	<u>913,949</u>
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>				
Exchange differences on translation of financial statements in foreign currency	<u>157,526</u>	<u>241,961</u>	<u>-</u>	<u>-</u>
Other comprehensive income to be reclassified to profit or loss in subsequent periods	<u>157,526</u>	<u>241,961</u>	<u>-</u>	<u>-</u>
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>				
Share of other comprehensive income from associates - actuarial loss	8 <u>(22)</u>	<u>(117)</u>	<u>-</u>	<u>-</u>
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax	<u>(22)</u>	<u>(117)</u>	<u>-</u>	<u>-</u>
Other comprehensive income for the period	<u>157,504</u>	<u>241,844</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u>2,481,270</u>	<u>3,208,995</u>	<u>971,055</u>	<u>913,949</u>
Total comprehensive income attributable to:				
Equity holders of the Company	<u>1,518,552</u>	<u>1,962,630</u>	<u>971,055</u>	<u>913,949</u>
Non-controlling interests of the subsidiaries	<u>962,718</u>	<u>1,246,365</u>		
	<u>2,481,270</u>	<u>3,208,995</u>		

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

(Unaudited but reviewed)

Lanna Resources Public Company Limited and its subsidiaries
Statements of changes in shareholders' equity (continued)
For the six-month period ended 30 June 2023

(Unit: Thousand Baht)

Consolidated financial statements												
Equity attributable to owners of the Company												
					Other components of shareholders' equity							
					Other							
					comprehensive							
					income							
					Exchange							
					differences on							
					translation of	Surplus on change	Capital reserve	Total other	Total equity	Equity attributable		
					financial	in the percentage	for share-based	component of	attributable to	to non-controlling		
					statements in	of shareholding	payment	shareholders'	owners of	interests of		
					foreign currency	in subsidiary	transactions	equity	the Company	the subsidiaries		
					Unappropriated							
					Retained earnings							
					Appropriated							
		Share	Statutory	General								
Issued and	paid up	premium	reserve	reserve								
share capital												
Balance as at 31 December 2022												
as previously reported	525,000	680,400	52,500	1,310,600	4,676,179	112,279	75,949	556	188,784	7,433,463	2,248,221	9,681,684
Cumulative effect of change in accounting policy for Property, plant and equipment (Note 2)	-	-	-	-	(2,786)	-	-	-	-	(2,786)	2,861	75
Balance as at 31 December 2022 as restated	525,000	680,400	52,500	1,310,600	4,673,393	112,279	75,949	556	188,784	7,430,677	2,251,082	9,681,759
Profit for the period	-	-	-	-	1,422,105	-	-	-	-	1,422,105	901,661	2,323,766
Other comprehensive income for the period	-	-	-	-	(22)	96,469	-	-	96,469	96,447	61,057	157,504
Total comprehensive income for the period	-	-	-	-	1,422,083	96,469	-	-	96,469	1,518,552	962,718	2,481,270
Dividend paid (Note 17)	-	-	-	-	(813,750)	-	-	-	-	(813,750)	-	(813,750)
Decrease in non-controlling interests of the subsidiaries from dividend payments of subsidiaries	-	-	-	-	-	-	-	-	-	-	(639,295)	(639,295)
Balance as at 30 June 2023	525,000	680,400	52,500	1,310,600	5,281,726	208,748	75,949	556	285,253	8,135,479	2,574,505	10,709,984

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

(Unaudited but reviewed)

Lanna Resources Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity (continued)

For the six-month period ended 30 June 2023

(Unit: Thousand Baht)

	Separate financial statements					Total shareholders' equity
	Issued and paid up share capital	Share premium	Retained earnings		Unappropriated	
			Appropriated			
			Statutory reserve	General reserve		
Balance as at 1 January 2022	525,000	680,400	52,500	1,310,600	861,754	3,430,254
Profit for the period	-	-	-	-	913,949	913,949
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	913,949	913,949
Dividend paid (Note 17)	-	-	-	-	(525,000)	(525,000)
Balance as at 30 June 2022	<u>525,000</u>	<u>680,400</u>	<u>52,500</u>	<u>1,310,600</u>	<u>1,250,703</u>	<u>3,819,203</u>
Balance as at 1 January 2023	525,000	680,400	52,500	1,310,600	1,898,913	4,467,413
Profit for the period	-	-	-	-	971,055	971,055
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	971,055	971,055
Dividend paid (Note 17)	-	-	-	-	(813,750)	(813,750)
Balance as at 30 June 2023	<u>525,000</u>	<u>680,400</u>	<u>52,500</u>	<u>1,310,600</u>	<u>2,056,218</u>	<u>4,624,718</u>

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

(Unaudited but reviewed)

Lanna Resources Public Company Limited and its subsidiaries**Statements of cash flows****For the six-month period ended 30 June 2023**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2023</u>	<u>2022</u> (Restated)	<u>2023</u>	<u>2022</u>
Cash flows from operating activities				
Profit before tax	3,660,624	4,615,540	1,225,284	1,132,219
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	787,051	512,506	35,670	31,058
Reduction of inventories to net realisable value (reversal)	2,302	(16,312)	2,302	(15,526)
Write-off of inventories	-	114	-	-
Unrealised gain on change in value of investments in general fixed income funds	(6)	(1)	-	-
Share of profit from investments in associated companies	(90,990)	(85,835)	-	-
Allowance for impairment loss on investments in subsidiaries	-	-	1,642	31,456
Write-off of value added tax refundable and prepaid income tax	511	4,694	-	-
Loss (gain) on disposals and write-off of machine, equipment and investment properties	5,395	(1,938)	(1,314)	(545)
Gain on write-off of right-of-use assets from contract cancellation	(18)	(52)	-	-
Loss on write-off of deferred stripping costs	3,408	-	-	-
Write-back of dividend payable	(27)	(384)	(27)	(384)
Allowance for impairment loss on assets	-	32,484	-	-
Dividend income	-	-	(1,099,503)	(965,032)
Provision for long-term employee benefits	16,248	15,360	1,834	1,789
Provision for mine reclamation and decommissioning costs	17,398	29,179	-	-
Unrealised loss (gain) on exchange	7,192	(31,465)	(1,949)	(6,301)
Unrealised gain on derivative	(3,682)	-	(3,682)	-
Finance income	(29,716)	(14,358)	(14,609)	(3,903)
Finance cost	43,809	28,761	1,130	1,292
Profit from operating activities before changes in operating assets and liabilities	4,419,499	5,088,293	146,778	206,123

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

(Unaudited but reviewed)

Lanna Resources Public Company Limited and its subsidiaries**Statements of cash flows (continued)****For the six-month period ended 30 June 2023**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2023</u>	<u>2022</u> (Restated)	<u>2023</u>	<u>2022</u>
Cash flows from operating activities (continued)				
Operating assets (increase) decrease				
Trade and other receivables	(391,272)	(872,923)	219,619	(70,344)
Inventories	(414,184)	(491,904)	(66,133)	53,900
Value added tax refundable	(87,677)	(172,592)	(2,340)	8,824
Advance payments for goods	500,855	252,886	43,977	8,992
Other current financial assets	-	29	-	6
Other current assets	(191,404)	(87,795)	(3,080)	(1,175)
Operating liabilities increase (decrease)				
Trade and other payables	160,518	355,183	(1,065)	(21,000)
Accrued expenses	303,858	131,833	(40,771)	(34,037)
Other current financial liabilities	(3,624)	39	(3,623)	(15)
Other current liabilities	(26,542)	18,503	1,752	1,607
Cash paid for long-term employee benefits	(3,453)	(2,765)	(2,416)	-
Cash paid for mine reclamation	<u>(15,940)</u>	<u>(19,896)</u>	<u>-</u>	<u>-</u>
Cash from operating activities	4,250,634	4,198,891	292,698	152,881
Interest income	27,314	13,316	12,207	2,860
Cash paid for interest expenses	(38,039)	(23,606)	-	-
Refund of income tax	28,303	58,244	-	-
Cash paid for income tax	<u>(1,992,412)</u>	<u>(1,723,741)</u>	<u>(251,798)</u>	<u>(220,643)</u>
Net cash from (used in) operating activities	<u>2,275,800</u>	<u>2,523,104</u>	<u>53,107</u>	<u>(64,902)</u>
Cash flows from investing activities				
Increase in fixed deposits	(199,500)	(48,900)	(199,500)	(48,900)
Decrease in restricted bank deposits	69,226	2,575	-	-
Decrease in long-term loan to related party	45,853	-	45,853	-
Dividend received from subsidiaries and associated company	10,645	8,584	1,099,503	965,032
Proceeds from disposals of machine and equipment	2,084	3,254	2,084	545
Acquisitions of plant and equipment	(195,097)	(142,082)	(15,269)	(13,025)
Acquisitions of computer software	(3,758)	(328)	(1,897)	-
Acquisitions of biological asset	-2,269	(1,717)	-	-
Increase (decrease) in other non-current financial assets	(1,496)	1,832	(1,470)	-
Increase in other non-current assets	<u>(512,239)</u>	<u>(421,286)</u>	<u>-</u>	<u>-</u>
Net cash from (used in) investing activities	<u>(786,551)</u>	<u>(598,068)</u>	<u>929,304</u>	<u>903,652</u>

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

(Unaudited but reviewed)

Lanna Resources Public Company Limited and its subsidiaries

Statements of cash flows (continued)

For the six-month period ended 30 June 2023

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u> (Restated)	<u>2023</u>	<u>2022</u>
Cash flows from financing activities				
Net increase (decrease) in short-term loans from financial institutions	(194,607)	196,733	-	-
Cash received from long-term loans from financial institution	40,120	-	-	-
Repayment of long-term loans from financial institution	(155,150)	(147,414)	-	-
Cash paid for principal portion of lease liabilities	(15,130)	(15,755)	(6,259)	(5,956)
Cash paid for interest expense of lease liabilities	(2,047)	(2,546)	(1,130)	(1,292)
Dividend paid	(1,453,045)	(1,119,548)	(813,750)	(525,000)
Increase in non-controlling interests of the subsidiaries	<u>61,057</u>	<u>92,626</u>	<u>-</u>	<u>-</u>
Net cash from (used in) financing activities	<u>(1,718,802)</u>	<u>(995,904)</u>	<u>(821,139)</u>	<u>(532,248)</u>
Increase in translation adjustments	<u>100,945</u>	<u>118,614</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	<u>(128,608)</u>	<u>1,047,746</u>	<u>161,272</u>	<u>306,502</u>
Cash and cash equivalents at beginning of period	<u>3,028,666</u>	<u>2,163,718</u>	<u>987,798</u>	<u>874,231</u>
Cash and cash equivalents at end of period	<u><u>2,900,058</u></u>	<u><u>3,211,464</u></u>	<u><u>1,149,070</u></u>	<u><u>1,180,733</u></u>
	-		-	
Supplemental cash flows information:				
Non-cash transactions				
Additions to right-of-use assets and lease liabilities	10,796	9,616	7,053	2,616
Payables from purchases of plant and equipment and intangible assets	2,996	5,837	900	3,792

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

Lanna Resources Public Company Limited and its subsidiaries
Notes to interim financial statements
For the three-month and six-month periods ended 30 June 2023

1. General information

1.1 Corporate information

Lanna Resources Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its major shareholder is Siam City Cement Public Company Limited, which was incorporated in Thailand. The Company is principally engaged in the manufacture and distribution of coal. The registered office of the Company is at 888/99 Mahathun Plaza Building 9th floor, Ploenchit Road, Lumpini, Pathumwan, Bangkok.

1.2 Basis of preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, 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 statements 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 statements should therefore be read in conjunction with the latest annual financial statements.

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

1.3 Basis of consolidation

These interim consolidated financial statements included the financial statements of Lanna Resources Public Company Limited (“the Company”) and its subsidiaries (“the subsidiaries”) (collectively as “the Group”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2022 with no change in shareholding structure of subsidiaries during the current period.

2. Significant accounting policies

The interim financial statements 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 Group's financial statements, except the following standard which involves changes to key principles, summarised below.

TAS 16, Property, Plant and Equipment

The amendment prohibits entities from deducting from cost of an item of property, plant and equipment, any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in the income statement.

The Group has changed this accounting policy in the current period and restated the prior year's financial statements only to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented. The cumulative effect of the change in accounting policy is presented as a separate item in the statement of changes in shareholders' equity.

The amounts of the adjustments affecting the statement of financial position and the income statement are as follows:

	(Unit: Thousand Baht)	
	Increase (decrease)	
	31 December 2022	1 January 2022
Statement of financial position		
Inventories	8,512	-
Property, plant and equipment	114	(6,451)
Deferred tax assets	(8,551)	(3,397)
Total assets	75	(9,848)
Retained earnings	75	(9,848)
Total shareholders' equity	75	(9,848)

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Increase (decrease)	
	For the three-month period ended 30 June 2022	For the six-month period ended 30 June 2022
Income statement		
Sales	10,590	11,718
Cost of sales	4,612	5,317
Income tax expenses	2,118	2,344
Net profit for the period	3,860	4,057
Earnings per share (Baht):		
Basic earnings per share	-	-

3. Related party transactions

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

Summaries business transactions with related parties are as follows.

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Transactions with subsidiaries</u> (eliminated from the consolidated financial statements)				
Dividend income	-	-	551,125	649,909
Commission and marketing service income	-	-	76,851	75,718
Service income	-	-	23,348	21,335
Purchase of coal	-	-	94,282	238,791
<u>Transactions with major shareholder</u>				
Sales of coal	289,865	338,560	289,865	338,560
Other income	523	-	523	-
<u>Transactions with associated companies</u>				
Dividend income	-	-	10,645	8,584
Interest income	631	734	631	734
Purchase of coal	172,195	97,311	172,195	97,311
Freight charge	71,518	74,668	71,518	74,668

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the six-month periods ended 30 June

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Transactions with subsidiaries</u>				
(eliminated from the consolidated financial statements)				
Dividend income	-	-	1,088,858	956,448
Commission and marketing service income	-	-	150,650	131,025
Service income	-	-	46,605	36,410
Purchase of coal	-	-	203,362	412,219
<u>Transactions with major shareholder</u>				
Sales of coal	779,737	639,329	779,737	639,329
Other income	523	-	523	-
<u>Transactions with associated companies</u>				
Dividend income	-	-	10,645	8,584
Interest income	1,384	1,148	1,384	1,148
Purchase of coal	431,462	169,545	431,462	169,545
Freight charge	201,469	147,621	201,469	147,621
<u>Transactions with related person and company</u>				
Sales of coal	-	1,833	-	1,833

As at 30 June 2023 and 31 December 2022, the balances of the accounts between the Company and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
<u>Trade and other receivables - related parties</u>				
(Note 4)				
Major shareholder	180,308	384,358	180,308	384,358
Subsidiaries	-	-	37,844	25,488
Associated company	1,384	2,054	1,384	2,054
Total trade and other receivables - related parties	<u>181,692</u>	<u>386,412</u>	<u>219,536</u>	<u>411,900</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2023	2022	2023	2022
<u>Advance payments for goods - related parties</u>				
Subsidiaries	-	-	12,949	12,949
Associated company	-	43,977	-	43,977
Total advance payments for goods - related parties	-	43,977	12,949	56,926
<u>Trade and other payables - related party</u>				
(Note 13)				
Associated company	3,113	-	3,113	-
Total trade and other payables - related party	3,113	-	3,113	-

Long-term loan to related party

On 31 August 2021, the Company entered into Shareholder Loan Agreement to provide a long-term loan to an associated company. The loan bears interest at 6 months SIBOR plus 1% per annum and on 25 May 2022, the interest rate was adjusted to 3 months SIBOR plus 1% per annum, effective since 1 April 2022. Such loan is repayable on demand. Movement of long-term loan to related party for the six-month period ended 30 June 2023 was summarised below.

(Unit: Thousand Baht)

	Consolidated and separate financial statements		
	Balance as at	Decrease	Balance as at
	31 December	during the	30 June
	2022	period	2023
<u>Long-term loan to related company</u>			
Associated company	90,194	(44,514)	45,680

(Unaudited but reviewed)

Directors and management's benefits

During the three-month and six-month periods ended 30 June 2023 and 2022, the Group had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Short-term employee benefits	67,111	56,837	33,512	25,828
Post-employment benefits	2,956	3,430	485	450
Total	<u>70,067</u>	<u>60,267</u>	<u>33,997</u>	<u>26,278</u>

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Short-term employee benefits	102,706	89,974	43,710	34,814
Post-employment benefits	7,029	6,609	969	900
Total	<u>109,735</u>	<u>96,583</u>	<u>44,679</u>	<u>35,714</u>

4. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2023	2022	2023	2022
<u>Trade receivables - related parties</u>				
Age on the basis of due dates				
Not yet due	180,308	384,358	206,453	402,561
Total trade receivables - related parties	<u>180,308</u>	<u>384,358</u>	<u>206,453</u>	<u>402,561</u>
<u>Trade receivables - unrelated parties</u>				
Age on the basis of due dates				
Not yet due	1,640,240	1,204,454	44,460	70,786
Past due				
Up to 3 months	383,534	221,517	-	-
Total trade receivables - unrelated parties	<u>2,023,774</u>	<u>1,425,971</u>	<u>44,460</u>	<u>70,786</u>
Total trade receivables - net	<u>2,204,082</u>	<u>1,810,329</u>	<u>250,913</u>	<u>473,347</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
<u>Other receivables</u>				
Other receivables - related parties	-	-	11,699	7,285
Other receivables - unrelated parties	62,971	65,506	1	953
Advances	54	-	54	-
Interest receivable - related party	1,384	2,054	1,384	2,054
Interest receivable - unrelated parties	4,695	1,623	4,685	1,614
Total other receivables	69,104	69,183	17,823	11,906
Total trade and other receivables	2,273,186	1,879,512	268,736	485,253

An overseas subsidiary has pledged its trade receivables to secure credit facilities from the financial institutions. As at 30 June 2023, the balance of trade receivables totaling Rupiah 90,000 million or approximately Baht 204.9 million (31 December 2022: Rupiah 90,000 million or approximately Baht 191.0 million) were placed to secure such credit facilities.

5. Other current financial assets

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
<u>Measured at amortised cost</u>				
Fixed deposits	1,642,002	1,442,502	1,642,002	1,442,502
<u>Measured at FVTPL</u>				
Investments in General Fixed Income funds	1,080	1,074	-	-
	3,682	-	3,682	-
Total	1,646,764	1,443,576	1,645,684	1,442,502

6. Restricted bank deposits

As at 30 June 2023, the overseas subsidiaries have restricted bank deposits of USD 10.6 million or approximately Baht 378.6 million (31 December 2022: USD 12.5 million or approximately Baht 434.9 million) to secure mine reclamation of the overseas subsidiaries to the government and guarantee for coal supply of the overseas subsidiaries.

7. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements are as follows:

Company	Paid up capital		Shareholding percentage		Cost		(Unit: Thousand Baht) Dividends received for the six-month periods ended	
	30 June	31 December	30 June	31 December	30 June	31 December	30 June	30 June
	2023	2022	2023	2022	2023	2022	2023	2022
			(%)	(%)				
Local subsidiaries								
Lanna Power Generation Company Limited	Baht 300 million	Baht 300 million	100.00	100.00	300,000	300,000	-	-
Thai Agro Energy Public Company Limited	Baht 1,000 million	Baht 1,000 million	51.00	51.00	510,000	510,000	-	-
Overseas subsidiaries								
PT. Singlurus Pratama (Incorporated in Indonesia)	Rp 10,500 million	Rp 10,500 million	65.00	65.00	22,421	22,421	899,429	672,098
PT. Lanna Harita Indonesia (Incorporated in Indonesia)	USD 8 million	USD 8 million	55.00	55.00	155,023	155,023	189,429	284,350
Total investments in subsidiaries					987,444	987,444	1,088,858	956,448
Less: Allowance for impairment loss of the investment					(194,771)	(193,129)		
Total investments in subsidiaries - net					792,673	794,315		

Overseas subsidiaries

During 2018, PT. Singlurus Pratama (“SGP”) and PT. Lanna Harita Indonesia (“LHI”) sign amendment to each of their coal mining concession or the Coal Contract of Work (“CCOW”) with the Ministry of Energy and Mineral Resources in respect of divestment obligation to reduce the proportion of foreign or non-Indonesian shareholding to not more than 49 percent of the paid up capital. The Company has to completely reduce such divestment within October 2019. After the divestment, the Company will have the percentage of shareholding in SGP and LHI at 49 percent and 41.4615 percent, respectively. In 2019, the subsidiaries evaluated their shares and proposed to Indonesian government sectors which was in accordance with the regulation about the divestment prescribed by Indonesia government sectors. Currently, Indonesian government sectors have been considering the purchase of such shares.

Local subsidiaries

During the year 2021, SRT Power Pellet Company Limited (“SRT”) ceased its operations due to a shortage of raw materials. On 20 December 2021, the Board of Directors Meeting of the Company passed a resolution approving the restructuring of SRT by transferring the business to Lanna Power Generation Company Limited (“LPG”) and approving the dissolution and liquidation of SRT after the transfer of SRT business to LPG has been completed in 2022. However, the Group’s management considers that there is uncertainty of the nature of business operations after the business transfer. Therefore, there is a decrease in recoverable amounts from the investment in LPG. In this regard, the management considers recognising an impairment loss on investment. During the current period, the management additionally recognised an impairment loss on investment in LPG amounting to Baht 0.8 million and Baht 1.6 million in the separate financial statements for the three-month and six-month periods ended 30 June 2023, respectively (2022: Baht 31.5 million).

On 20 July 2023, the Extraordinary General Meeting of SRT Power Pellet Company Limited passed a resolution approving the dissolution of the subsidiary. The subsidiary registered its dissolution with the registrar on 20 July 2023. Currently, the subsidiary is in the process of liquidation.

(Unaudited but reviewed)

8. Investments in associated companies

(Unit: Thousand Baht)

Company	Nature of business	Relationship	Paid up capital		Shareholding percentage		Consolidated		Separate financial statements					
							financial statements		Carrying amounts		Cost		Dividends received for the	
							based on equity method		based on equity method		Cost		six-month periods ended	
							30 June	31 December	30 June	31 December	30 June	31 December	30 June	30 June
2023	2022	2023	2022	2023	2022	2023	2022	2023	2022					
					(%)	(%)								
United Bulk Shipping Pte. Ltd. (Incorporated in Singapore)	Shipping business and coal distribution	Direct holding	SGD 0.1 million	SGD 0.1 million	49	49	18,878	23,599	891	891	10,645	8,584		
PT. Pesona Khatulistiwa Nusantara (Incorporated in Indonesia)	Manufacture and distribution of coal	Direct holding	Rp 580,891 million	Rp 580,891 million	10	10	444,828	359,784	58,437	58,437	-	-		
Total							463,706	383,383	59,328	59,328	10,645	8,584		

(Unaudited but reviewed)

During the three-month and six-month periods ended 30 June 2023 and 2022, the Company recognised its share of profit and other comprehensive income from investments in associated companies in the consolidated financial statements as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 June				For the six-month periods ended 30 June			
	Share of profit from investments in associated companies		Share of other comprehensive income from investments in associated companies		Share of profit from investments in associated companies		Share of other comprehensive income from investments in associated companies	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
United Bulk Shipping Pte. Ltd.	2,428	2,445	-	-	5,924	4,348	-	-
PT. Pesona Khatulistiwa Nusantara	50,213	56,718	-	-	85,066	81,487	(22)	(117)
Total	<u>52,641</u>	<u>59,163</u>	<u>-</u>	<u>-</u>	<u>90,990</u>	<u>85,835</u>	<u>(22)</u>	<u>(117)</u>

The shares of profit and the shares of other comprehensive incomes had been calculated from the financial statements prepared by the management of the associated companies and not being reviewed by their auditors.

The Company's management believes that the management accounts of the associated companies would not be significantly different from the accounts reviewed by their auditors.

9. Property, plant and equipment

Movements in the property, plant and equipment account for the six-month period ended 30 June 2023 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
	<u> </u>	<u> </u>
Net book value as at 31 December 2022	3,997,277	335,705
Adjusted from the change in accounting policy (Note 2)	114	-
Net book value as at 31 December 2022 - Restated	3,997,391	335,705
Acquisitions during the period - cost	189,324	10,304
Disposal and write-off during the period - net book value		
on disposal and write-off date	(6,719)	(10)
Depreciation for the period	(170,520)	(9,011)
Translation adjustments	30,705	-
Net book value as at 30 June 2023	<u>4,040,181</u>	<u>336,988</u>

As at 31 December 2022, the local subsidiary had an outstanding balance of the construction of Wastewater Evaporation Plant amounting to Baht 392.4 million (30 June 2023: Nil). Borrowing costs amounting to Baht 0.1 million were capitalised during the six-month period ended 30 June 2023 (31 December 2022: Baht 2.7 million). The weighted average rate of 3.3 percent per annum has been used to determine the amount of borrowing costs eligible for capitalisation (31 December 2022: 2.1 to 3.3 percent per annum).

The local subsidiary has mortgaged part of its land and construction thereon and machinery with net book value as at 30 June 2023 amounting to approximately Baht 1,168 million (31 December 2022: Baht 1,216 million) as collateral for short-term and long-term loans and credit facilities granted by a commercial bank as discussed in Note 12 and 14.

The overseas subsidiary has mortgaged part of its land, machinery, and equipment with net book value as at 30 June 2023 amounting to approximately USD 16.9 million or equivalent to Baht 599.9 million (31 December 2022: USD 17.9 million or equivalent to Baht 619.9 million) as collateral for short-term and long-term loans and credit facilities granted by a commercial bank as discussed in Note 12 and 14.

10. Intangible assets

Movement in the intangible assets account for the six-month period ended 30 June 2023 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements		
	Computer software	Deferred transferred service fees according to contract	Total
Net book value as at 31 December 2022	2,760	72,496	75,256
Acquisitions during the period - cost	3,758	-	3,758
Amortisation for period	(762)	(20,032)	(20,794)
Net book value as at 30 June 2023	<u>5,756</u>	<u>52,464</u>	<u>58,220</u>

(Unit: Thousand Baht)

	Separate financial statements		
	Computer software	Deferred transferred service fees according to contract	Total
Net book value as at 1 January 2023	632	72,496	73,128
Acquisition during the period - cost	1,897	-	1,897
Amortisation for period	(258)	(20,032)	(20,290)
Net book value as at 30 June 2023	<u>2,271</u>	<u>52,464</u>	<u>54,735</u>

Agreement of transferring service fees provided by PT. Indocoal Pratama Jaya

On 9 February 2018, the Company and PT. Indocoal Pratama Jaya (“IPJ”) entered into agreement of transferring service fees for service provided to the concession area of PT. Singlurus Pratama (“SGP”) for 25 million tons of coal, in accordance with the Service Agreement, which stipulates that IPJ is to receive a fee of USD 0.75 per ton of coal produced and distributed from SGP. The Company had negotiated the price of transferring of such right at USD 6 million, or equivalent to Baht 191.9 million. Such right to the fees will be amortised according to the quantity of coal produced and sold from SGP.

(Unaudited but reviewed)

11. Other non-current assets

Other non-current assets consist of the following items, which are shown net of relevant accumulated amortisation.

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	30 June 2023	31 December 2022
Deferred expenses - Indonesia coal mine project	204,270	216,774
Deferred stripping costs	661,625	692,404
Total other non-current assets	<u>865,895</u>	<u>909,178</u>
Amortisation expenses for the period/year	<u>579,127</u>	<u>665,195</u>

12. Short-term loans from financial institutions

	(Unit: Thousand Baht)			
	Interest rate (percent per annum)		Consolidated financial statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
Promissory notes	3.80 - 5.01	3.00 - 3.90	1,109,563	1,303,948
Total			<u>1,109,563</u>	<u>1,303,948</u>

Movements in short-term loans from financial institutions during the six-month period ended 30 June 2023 are summarised below.

	(Unit: Thousand Baht)
Balance as at 31 December 2022	1,303,948
Add: Increase during the period	2,159,777
Amortisation of transaction costs during the period	222
Less: Repayment during the period	<u>(2,354,384)</u>
Balance as at 30 June 2023	<u>1,109,563</u>

The credit facilities of the subsidiaries are secured by the mortgage of part of the land and construction thereon, machinery, and equipment as discussed in Note 9.

(Unaudited but reviewed)

As at 30 June 2023, the short-term credit facilities of the subsidiaries which have not yet been drawn down amounted to USD 32.0 million or equivalent to Baht 1,138.9 million and Baht 449.9 million totaling of Baht 1,588.8 million (31 December 2022: USD 32.0 million or equivalent to Baht 1,106.0 million and Baht 56.1 million, totaling of Baht 1,162.1 million).

13. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2023	2022	2023	2022
Trade payables - related party	3,113	-	3,113	-
Trade payables - unrelated parties	736,965	605,183	28,034	33,275
Other payables - unrelated parties	158,633	138,703	6,274	10,086
Total trade and other payables	<u>898,711</u>	<u>743,886</u>	<u>37,421</u>	<u>43,361</u>

14. Long-term loans from financial institutions

(Unit: Thousand Baht)

	Consolidated	
	financial statements	
	30 June	31 December
	2023	2022
Long-term loans from financial institutions	594,787	705,348
Less: Current portion	<u>(306,022)</u>	<u>(321,044)</u>
Long-term loans from financial institutions - net of current portion	<u>288,765</u>	<u>384,304</u>

Movements in the long-term loans account during the six-month period ended 30 June 2023 are summarised below.

(Unit: Thousand Baht)

Balance as at 31 December 2022	705,348
Increase during the period	40,120
Amortisation of transaction costs during the period	513
Repayment during the period	(155,150)
Translation adjustments	<u>3,956</u>
Balance as at 30 June 2023	<u>594,787</u>

(Unaudited but reviewed)

The credit facilities of subsidiaries are secured by the mortgage of part of the land and construction thereon and machinery.

As at 30 June 2023, a local subsidiary could maintain certain financial ratio as specified in the loan agreement. As at 31 December 2022, A local subsidiary could not maintain such ratio, however, a local subsidiary had obtained a waiver letter for the condition maintain certain financial ratios from bank on 3 November 2022.

As at 30 June 2023, the long-term credit facilities of the Group which have not yet been drawn down amounted to USD 2.0 million or approximately Baht 71.2 million (31 December 2022: USD 5.5 million or approximately Baht 188.4 million).

15. Income tax

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 for the three-month and six-month periods ended 30 June 2023 and 2022 are made up as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(Restated)			
Current income tax:				
Interim corporate income tax charge	452,478	865,800	-	-
Adjustment in respect of income tax of previous year	20,773	3,020	-	-
Withholding tax deducted at source recognised as expenses during the period	18,222	16,621	128,448	148,733
Deferred tax:				
Relating to origination and reversal of temporary differences	81,712	207,045	(49)	(179)
Income tax reported in the income statements	<u>573,185</u>	<u>1,092,486</u>	<u>128,399</u>	<u>148,554</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the six-month periods ended 30 June

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
		(Restated)		
Current income tax:				
Interim corporate income tax charge	1,025,418	1,268,950	-	-
Adjustment in respect of income tax of previous year	20,773	3,020	-	-
Withholding tax deducted at source recognised as expenses during the period	36,380	28,394	254,152	221,814
Deferred tax:				
Relating to origination and reversal of temporary differences	254,287	348,025	77	(3,544)
Income tax reported in the income statements	<u>1,336,858</u>	<u>1,648,389</u>	<u>254,229</u>	<u>218,270</u>

16. Earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number ordinary shares in issue during the period.

17. Dividend paid

Dividends paid by the Group during the six-month periods ended 30 June 2023 and 2022 are as follows:

Companies

Dividends	Approved by	Total Dividends (Thousand US Dollar)	Dividend per share (US Dollar)	Paid on
<u>2023</u>				
Dividends for 2022	Annual General Meeting of shareholders on 24 April 2023	813,750	1.55	23 May 2023
Total		<u>813,750</u>	<u>1.55</u>	
<u>2022</u>				
Dividends for 2021	Annual General Meeting of shareholders on 18 April 2022	525,000	1.00	17 May 2022
Total		<u>525,000</u>	<u>1.00</u>	

(Unaudited but reviewed)

Overseas subsidiaries

PT. Lanna Harita Indonesia

<u>Dividends</u>	<u>Approved by</u>	<u>Total Dividends (Thousand US Dollar)</u>	<u>Dividend per share (US Dollar)</u>	<u>Paid on</u>
2023				
The third interim dividends for 2022	Board of Directors' meeting on 21 March 2023	5,000	625.0	28 March 2023
Dividends for 2022	Annual General Meeting of shareholders on 12 June 2023	5,000	625.0	22 June 2023
Total		<u>10,000</u>	<u>1,250.0</u>	
2022				
The third interim dividends for 2021	Board of Directors' meeting on 28 March 2022	5,000	625.0	25 May 2022
Dividends for 2021	Annual General Meeting of shareholders on 30 June 2022	10,000	1,250.0	30 June 2022
Total		<u>15,000</u>	<u>1,875.0</u>	

During the six-month period ended 30 June 2023, the Company recorded dividend income at 55 percent for a total of USD 5.5 million or equivalent to Baht 189.4 million. The Company had been withheld the withholding tax deducted at source of Baht 37.9 million (2022: USD 8.3 million or equivalent to Baht 284.3 million. The Company had been withheld the withholding tax deducted at source of Baht 57.4 million).

PT. Singlurus Pratama

<u>Dividends</u>	<u>Approved by</u>	<u>Total dividends (Thousand US Dollar)</u>	<u>Dividend per share (US Dollar)</u>	<u>Paid on</u>
2023				
The third interim dividends for 2022	Board of Directors' meeting on 23 March 2023	20,000	1,904.8	27 March 2023
Dividends for 2022	Board of Directors' meeting on 12 June 2023	20,000	1,904.8	27 June 2023
Total		<u>40,000</u>	<u>3,809.6</u>	
2022				
The third interim dividends for 2021	Board of Directors' meeting on 28 March 2022	10,000	952.4	10 May 2022
Dividends for 2021	Annual General Meeting of shareholders on 30 June 2022	20,000	1,904.8	30 June 2022
Total		<u>30,000</u>	<u>2,857.2</u>	

During the six-month period ended 30 June 2023, the Company recorded dividend income at 65 percent for a total of USD 26.0 million or equivalent to Baht 899.4 million. The Company had been withheld the withholding tax deducted at source of Baht 179.9 million (2022: USD 19.5 million or equivalent to Baht 672.1 million). The Company had been withheld the withholding tax deducted at source of Baht 136.1 million).

18. Segment information

The Group is organised into business units based on its products. The Group recognised revenue at the point in time. The Group has not changed the organisation of their reportable segments from the last annual financial statements.

The following tables present revenue and profit information regarding of the Group's operating segments for the three-month and six-month periods ended 30 June 2023 and 2022.

(Unaudited but reviewed)

(Unit: Million Baht)

For the three-month periods ended 30 June

	Domestic coal business		Overseas coal business		Ethanol business		Soil conditioner business		Elimination of inter-segment transactions		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
								(Restated)				(Restated)
Revenues												
Revenues from external customers	408	505	4,944	6,806	761	282	15	11	-	-	6,128	7,604
Inter-segment revenues	110	106	95	239	-	-	-	-	(205)	(345)	-	-
Total revenue	518	611	5,039	7,045	761	282	15	11	(205)	(345)	6,128	7,604
Operating results												
Segment gross profit	146	192	3,027	4,964	62	(1)	6	5	(121)	(105)	3,120	5,055
Other income											20	17
Share of profit from investments in associated companies											53	59
Loss on exchange											(29)	(12)
Selling and distribution expenses											(1,392)	(1,876)
Administrative expenses											(172)	(186)
Finance income											17	5
Finance cost											(23)	(15)
Profit before income tax expenses											1,594	3,047
Income tax expenses											(573)	(1,092)
Profit for the period											1,021	1,955

(Unaudited but reviewed)

(Unit: Million Baht)

For the six-month periods ended 30 June

	Domestic coal business		Overseas coal business		Ethanol business		Soil conditioner business		Elimination of inter-segment transactions		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
								(Restated)				(Restated)
Revenues												
Revenues from external customers	1,035	968	10,290	10,640	1,529	952	29	12	-	-	12,883	12,572
Inter-segment revenues	217	183	204	412	-	-	-	-	(421)	(595)	-	-
Total revenue	<u>1,252</u>	<u>1,151</u>	<u>10,494</u>	<u>11,052</u>	<u>1,529</u>	<u>952</u>	<u>29</u>	<u>12</u>	<u>(421)</u>	<u>(595)</u>	<u>12,883</u>	<u>12,572</u>
Operating results												
Segment gross profit	301	330	6,633	7,558	153	36	14	6	(216)	(177)	6,885	7,753
Other income											55	63
Share of profit from investments in associated companies											91	86
Gain (loss) on exchange											31	(17)
Selling and distribution expenses											(3,078)	(2,934)
Administrative expenses											(309)	(321)
Finance income											30	14
Finance cost											(44)	(29)
Profit before income tax expenses											<u>3,661</u>	<u>4,615</u>
Income tax expenses											<u>(1,337)</u>	<u>(1,648)</u>
Profit for the period											<u><u>2,324</u></u>	<u><u>2,967</u></u>

19. Significant contracts and agreements

19.1 In 1998, PT. Lanna Harita Indonesia had been granted the right under a Coal Contract of Work (“CCOW”) from the Indonesian government to explore for and exploit coal for a period of thirty years in a total survey area of 30,018 hectares in Tanah Merah in Samarinda and Kutai, East Kalimantan, Indonesia. The subsidiary has a continuing obligation to pay a fee and compensation under the contract. Subsequently on 17 January 2018, the subsidiary amended certain condition in the contract with the Indonesian government.

19.2 In 1997, PT. Singlurus Pratama was granted the right under a Coal Contract of Work (“CCOW”) from the Indonesian government to explore for and exploit coal for a period of thirty years beginning at the commencement of the first mining operation in a total survey area of 24,760 hectares in Kutai, East Kalimantan, Indonesia. The subsidiary has a continuing obligation to pay a fee and compensation under the contract. In February 2009, the subsidiary received the consent from Indonesian government to start the production activities. Subsequently on 17 January 2018, the subsidiary amended certain conditions in the contract with the Indonesian government.

19.3 On 20 May 2009, PT. Singlurus Pratama entered into the marketing and technical service agreements with the Company and entered into assistance service agreement with a company in Indonesia. The service fees are charged on the basis and at the rates as stipulated in the agreements.

Subsequently on 29 October 2016, PT. Singlurus Pratama has made the agreement to amend the service fees to the new rates as stipulated in the agreements. This agreement shall be effective retroactively as of 1 August 2016.

20. Commitments and contingent liabilities

20.1 Capital commitments

As at 30 June 2023, the Group had capital commitments of Baht 7.0 million, relating to the assessment of the environment impact on the construction of the Company’s jetty, the construction of the Company’s wind barriers and office building renovation and the acquisition tools and equipment of a subsidiary. (31 December 2022: Baht 11.2 million, relating to the assessment of environmental impact on the construction of the Company’s jetty, the construction of the subsidiary’s Vinasse Evaporation Plant and other construction projects.)

20.2 Long-term service and purchase commitments

- a) The Group had commitments under several service agreements in respect of the security service, car maintenance service and other services. The terms of the agreements are generally 1 year and 5 years. Future minimum payments under these service agreements are as follows:

(Unit: Million Baht)

Payable	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2023	2022	2023	2022
In up to 1 year	4.4	2.0	0.8	0.6
In over 1 year and up to 5 years	0.5	0.6	0.5	0.6

- b) The Group had commitments under service agreements regarding the legal consulting, the consulting for financing and management of Baht 7.0 million (The Company Only: Baht 7.0 million) (31 December 2022: Baht 15.2 million (The Company Only: Baht 13.9 million)).
- c) The Company had commitment under the coal purchase agreement and coal shipping agreement with overseas companies which the coal price and freight rate, coal quality and quantity to purchase are stipulated in the agreements.
- d) The local subsidiary entered into a power supply agreement with the Provincial Electricity Authority for a period of one year, and being automatically renewed for every one-year period. The subsidiary shall pay power supply at the rate as stipulated in the agreement.

20.3 Coal supply agreement commitments

PT. Lanna Harita Indonesia and PT. Singlurus Pratama have coal supply commitments to domestic customers in accordance with the Domestic Market Obligation regulation required by the Indonesian government.

20.4 Guarantees

As at 30 June 2023, the Group had bank guarantees of approximately Baht 6 million and Rupiah 20,000 million (the Company only: Baht 1.0 million) (31 December 2022: Baht 72 million and Rupiah 19,990 million (the Company only: Baht 0.9 million)) issued by banks on behalf of the Group in respect of mine reclamation of the overseas subsidiaries to the government, guarantee contractual performance for using of electric to the Provincial Electricity Authority.

21. Litigation

On September 2011, a company sued the subsidiary for its alleged non-compliance with the cassava chip purchase agreement, claiming a compensation for damage of Baht 186.9 million. The subsidiary submitted the testimony and countersued that company, claiming a compensation for damage of Baht 82.4 million. Both parties defended in three courts. The case had been finished on 17 April 2019 by the Supreme Court affirmed the judgment of the Civil Court and the Appeal Court to order that company to make payments for purchases of cassava chip that the subsidiary paid in advance of Baht 6.9 million which together with interest expense of 7.5 percent per annum, calculated from 8 November 2011 (the countersue date) until completion of payment.

On 18 May 2018, the subsidiary sued that company for bankruptcy case. The Bankruptcy court passed the judgment on 29 May 2019 that the case was thrown out as that company has the right to claim with a debtor which is a government agency then that company has not become insolvent yet. The subsidiary has already made attachment of the claim.

On 13 August 2019, the subsidiary received partial payment of Baht 0.2 million. In addition, on 21 January 2022, the court ordered the debtor, a government agency, to submit the funds as they had been withheld to the subsidiary. The debtor failed to submit the funds. As a result, in October 2022, the subsidiary attached of the debtor's bank deposits in full in accordance with the writ of execution. Subsequently, in December 2022, the debtor filed a petition for the revocation of the attachment of claims. However, upon an investigation of the said petition, the Court issued an order dismissing the petition due to the lack of reasonable grounds for revocation. Currently, the debtor has filed an appeal against the Court's order, and the case is now in the appellate process. However, the subsidiary recorded allowance for impairment in advance paid to that company for a whole amount.

22. Foreign currency risk

The Group's exposure to foreign currency risk arises mainly from trading transactions that are denominated in foreign currencies. The Group seeks to reduce this risk by entering into forward exchange contracts, with maturity of less than one year, when they consider appropriate.

The balances of financial assets and liabilities denominated in foreign currencies are summarised below.

As at 30 June 2023				
Foreign currency	Financial assets	Financial liabilities	Exchange rate	
	(Million)	(Million)	(Baht per 1 foreign currency unit)	
			<u>Buying rate</u>	<u>Selling rate</u>
US dollar	2.4	0.1	35.4297	35.7489

(Unaudited but reviewed)

As at 31 December 2022				
<u>Foreign currency</u>	<u>Financial assets</u>	<u>Financial liabilities</u>	<u>Exchange rate</u>	
	(Million)	(Million)	(Baht per 1 foreign currency unit)	
			<u>Buying rate</u>	<u>Selling rate</u>
US dollar	6.5	-	34.3913	34.7335

23. Financial Instrument

23.1 Fair value of financial instrument

Most of the Group'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 is estimated to approximate their fair value.

23.2 Fair value hierarchy

As at 30 June 2023, the Group had the financial assets that were measured at fair value using different levels of inputs as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>Level 2</u>	<u>Total</u>	<u>Level 2</u>	<u>Total</u>
Investment in General Fixed				
Income Funds	1,080	1,080	-	-
Derivatives - Foreign				
exchange contracts	3,682	3,682	3,682	3,682

24. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's authorised directors on 10 August 2023.