

Lanna Resources Public Company Limited
and its subsidiaries
Review report and interim financial information
For the three-month and nine-month periods ended
30 September 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 September 2023, the related consolidated statements of income and comprehensive income for the three-month and nine-month periods then ended, and the related consolidated statements of changes in shareholders' equity and cash flows for the nine-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: 13 November 2023

Lanna Resources Public Company Limited and its subsidiaries

Statements of financial position

As at 30 September 2023

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements	
	30 September	31 December	1 January	30 September	31 December
	<u>2023</u>	<u>2022</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(Unaudited but reviewed)	(Audited) (Restated)		(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents	2,616,124	3,028,666	2,163,718	1,144,633	987,798
Restricted bank deposits	5 739,753	-	-	-	-
Trade and other receivables	2, 3 1,903,707	1,879,512	1,666,081	460,618	485,253
Inventories	1,085,128	583,222	525,525	204,084	207,636
Value added tax refundable	801,448	814,917	692,663	230	-
Prepaid income tax	215,282	66,446	124,012	-	-
Advance payments for goods	2 8,867	584,318	316,458	12,949	56,926
Other current financial assets	4 1,053,703	1,443,576	551,099	1,052,618	1,442,502
Other current assets	480,251	264,066	130,312	3,892	2,551
Total current assets	<u>8,904,263</u>	<u>8,664,723</u>	<u>6,169,868</u>	<u>2,879,024</u>	<u>3,182,666</u>
Non-current assets					
Restricted bank deposits	5 404,947	434,883	343,225	-	-
Investments in subsidiaries	6 -	-	-	789,490	794,315
Investments in associated companies	7 476,839	383,383	173,043	59,328	59,328
Long-term loan to related party	2 44,349	90,194	105,811	44,349	90,194
Investment properties	47,366	50,149	57,533	28,691	29,451
Biological asset	18,338	15,169	11,577	-	-
Property, plant and equipment	8 4,067,272	3,997,391	4,027,175	338,780	335,705
Right-of-use assets	59,376	71,420	89,885	32,791	34,890
Goodwill	186,000	186,000	186,000	-	-
Intangible assets	9 48,128	75,256	106,573	44,990	73,128
Deferred tax assets	43,398	70,338	51,637	61,561	61,638
Other non-current financial assets	7,316	5,718	7,949	4,802	3,307
Other non-current assets	10 906,108	909,178	691,703	-	-
Total non-current assets	<u>6,309,437</u>	<u>6,289,079</u>	<u>5,852,111</u>	<u>1,404,782</u>	<u>1,481,956</u>
Total assets	<u>15,213,700</u>	<u>14,953,802</u>	<u>12,021,979</u>	<u>4,283,806</u>	<u>4,664,622</u>

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 September 2023

(Unit: Thousand Baht)

	Note	Consolidated financial statements			Separate financial statements	
		30 September	31 December	1 January	30 September	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	11	1,015,746	1,303,948	763,613	-	-
Trade and other payables	2, 12	875,258	743,886	529,706	37,904	43,361
Current portion of long-term loans from financial institutions	13	299,636	321,044	291,605	-	-
Current portion of lease liabilities		32,234	29,608	30,423	13,303	11,737
Accrued expenses		582,686	303,532	399,329	15,716	52,612
Income tax payable		268,197	1,005,939	915,767	-	-
Other current financial liabilities		4,752	8,348	4,578	1,166	4,761
Other current liabilities		286,796	346,993	278,897	41,906	8,381
Total current liabilities		3,365,305	4,063,298	3,213,918	109,995	120,852
Non-current liabilities						
Long-term loans from financial institutions - net of current portion	13	232,295	384,304	619,088	-	-
Lease liabilities from financial institutions - net of current portion		31,185	44,846	62,536	21,649	25,193
Provision for long-term employee benefits		230,440	203,761	203,690	51,499	51,164
Provision for mine reclamation and decommissioning costs		146,950	130,672	124,990	-	-
Deferred tax liabilities		517,370	445,162	226,333	-	-
Total non-current liabilities		1,158,240	1,208,745	1,236,637	73,148	76,357
Total liabilities		4,523,545	5,272,043	4,450,555	183,143	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 September 2023

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements	
	30 September 2023	31 December 2022	1 January 2022	30 September 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	4,982,513	4,673,393	2,995,597	1,532,163	1,898,913
Other components of shareholders' equity	370,330	188,784	115,153	-	-
Equity attributable to owners of the Company	7,921,343	7,430,677	5,679,250	4,100,663	4,467,413
Non-controlling interests of the subsidiaries	2,768,812	2,251,082	1,892,174	-	-
Total shareholders' equity	10,690,155	9,681,759	7,571,424	4,100,663	4,467,413
Total liabilities and shareholders' equity	15,213,700	14,953,802	12,021,979	4,283,806	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 September 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	2	4,748,569	6,960,246	382,908	472,846
Commission and marketing service income	2	-	-	75,890	79,331
Other income					
Dividend income	2	-	-	-	702,164
Service income	2	-	-	23,275	22,442
Gain on exchange		-	3,590	3,737	27,433
Others		11,300	19,401	68	62
Total other income		11,300	22,991	27,080	752,101
Total revenues		4,759,869	6,983,237	485,878	1,304,278
Expenses					
Cost of sales	2	2,702,833	3,122,733	346,579	418,250
Selling and distribution expenses		1,237,938	2,010,917	42,990	38,547
Administrative expenses		164,498	171,652	34,067	30,270
Loss on exchange		30,756	-	-	-
Total expenses		4,136,025	5,305,302	423,636	487,067
Operating profit		623,844	1,677,935	62,242	817,211
Share of profit from investments in associated companies	7	13,133	57,133	-	-
Finance income	2	21,195	6,757	9,868	2,758
Finance cost		(20,128)	(13,115)	(649)	(610)
Profit before income tax expenses		638,044	1,728,710	71,461	819,359
Income tax expenses	14	(219,142)	(607,997)	(18,017)	(157,728)
Profit for the period		418,902	1,120,713	53,444	661,631
Profit attributable to:					
Equity holders of the Company		278,286	712,347	53,444	661,631
Non-controlling interests of the subsidiaries		140,616	408,366		
		<u>418,902</u>	<u>1,120,713</u>		
Basic earnings per share					
Profit attributable to equity holders of the Company (Baht)	15	0.53	1.36	0.10	1.26
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 September 2023

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u> (Restated)	<u>2023</u>	<u>2022</u>
Profit for the period	<u>418,902</u>	<u>1,120,713</u>	<u>53,444</u>	<u>661,631</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>138,768</u>	<u>377,812</u>	<u>-</u>	<u>-</u>
Other comprehensive income to be reclassified to profit or loss in subsequent periods	<u>138,768</u>	<u>377,812</u>	<u>-</u>	<u>-</u>
Other comprehensive income for the period	<u>138,768</u>	<u>377,812</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u><u>557,670</u></u>	<u><u>1,498,525</u></u>	<u><u>53,444</u></u>	<u><u>661,631</u></u>
Total comprehensive income attributable to:				
Equity holders of the Company	<u>363,363</u>	<u>946,070</u>	<u>53,444</u>	<u>661,631</u>
Non-controlling interests of the subsidiaries	<u>194,307</u>	<u>552,455</u>		
	<u><u>557,670</u></u>	<u><u>1,498,525</u></u>		

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

Lanna Resources Public Company Limited and its subsidiaries**Income statements****For the nine-month period ended 30 September 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	2	17,632,041	19,531,752	1,418,084	1,440,930
Commission and marketing service income	2	-	-	226,540	210,356
Other income					
Dividend income	2, 6, 7	-	-	1,099,503	1,667,196
Service income	2	-	-	69,880	58,852
Gain on exchange		-	-	20,420	46,443
Others		66,695	82,451	1,974	10,604
Total other income		66,695	82,451	1,191,777	1,783,095
Total revenues		17,698,736	19,614,203	2,836,401	3,434,381
Expenses					
Cost of sales	2	8,700,934	7,940,750	1,298,445	1,239,653
Selling and distribution expenses		4,316,761	4,944,968	140,248	113,404
Administrative expenses		473,076	492,906	123,661	134,505
Loss on exchange		448	13,306	-	-
Total expenses		13,491,219	13,391,930	1,562,354	1,487,562
Operating profit		4,207,517	6,222,273	1,274,047	1,946,819
Share of profit from investments in associated companies	7	104,123	142,968	-	-
Finance income	2	50,911	21,115	24,477	6,661
Finance cost		(63,883)	(42,106)	(1,779)	(1,902)
Profit before income tax expenses		4,298,668	6,344,250	1,296,745	1,951,578
Income tax expenses	14	(1,556,000)	(2,256,386)	(272,246)	(375,998)
Profit for the period		2,742,668	4,087,864	1,024,499	1,575,580
Profit attributable to:					
Equity holders of the Company		1,700,391	2,525,760	1,024,499	1,575,580
Non-controlling interests of the subsidiaries		1,042,277	1,562,104		
		<u>2,742,668</u>	<u>4,087,864</u>		
Basic earnings per share					
Profit attributable to equity holders of the Company (Baht)	15	3.24	4.81	1.95	3.00
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 nine-month period ended 30 September 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>2,742,668</u>	<u>4,087,864</u>	<u>1,024,499</u>	<u>1,575,580</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>296,294</u>	<u>619,773</u>	<u>-</u>	<u>-</u>
Other comprehensive income to be reclassified to profit or loss in subsequent periods	<u>296,294</u>	<u>619,773</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	7 <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>296,272</u>	<u>619,656</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u>3,038,940</u>	<u>4,707,520</u>	<u>1,024,499</u>	<u>1,575,580</u>
Total comprehensive income attributable to:				
Equity holders of the Company	<u>1,881,915</u>	<u>2,908,701</u>	<u>1,024,499</u>	<u>1,575,580</u>
Non-controlling interests of the subsidiaries	<u>1,157,025</u>	<u>1,798,819</u>		
	<u>3,038,940</u>	<u>4,707,520</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
For the nine-month period ended 30 September 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 in the percentage of shareholding in subsidiary	Capital reserve for share-based payment transactions	Total other component of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity												
		Retained earnings																									
		Appropriated																									
Issued and paid up share capital	Share premium	Statutory reserve	General reserve	Unappropriated	financial statements in foreign currency	in the percentage of shareholding in subsidiary	for share-based payment transactions	component of shareholders' equity	owners of the Company	interests of the subsidiaries	Total shareholders' equity	Total shareholders' equity	Total shareholders' equity	Total shareholders' equity	Total shareholders' equity	Total shareholders' equity											
Balance as at 31 December 2021 as previously reported													525,000	680,400	52,500	1,310,600	3,003,444	38,648	75,949	556	115,153	5,687,097	1,894,175	7,581,272	7,581,272	7,581,272	7,581,272
Cumulative effect of change in accounting policy for Property, plant and equipment (Note 1.4)													-	-	-	-	(7,847)	-	-	-	-	(7,847)	(2,001)	(9,848)	(9,848)	(9,848)	
Balance as at 31 December 2021 as restated													525,000	680,400	52,500	1,310,600	2,995,597	38,648	75,949	556	115,153	5,679,250	1,892,174	7,571,424	7,571,424	7,571,424	
Profit for the period													-	-	-	-	2,525,760	-	-	-	-	2,525,760	1,562,104	4,087,864	4,087,864	4,087,864	
Other comprehensive income for the period													-	-	-	-	(117)	383,058	-	-	383,058	382,941	236,715	619,656	619,656	619,656	
Total comprehensive income for the period													-	-	-	-	2,525,643	383,058	-	-	383,058	2,908,701	1,798,819	4,707,520	4,707,520	4,707,520	
Dividend paid (Note 16)													-	-	-	-	(1,286,249)	-	-	-	(1,286,249)	-	(1,286,249)	(1,286,249)	(1,286,249)		
Decrease in non-controlling interests of the subsidiaries from dividend payments of subsidiaries													-	-	-	-	-	-	-	-	-	-	(1,031,029)	(1,031,029)	(1,031,029)		
Balance as at 30 September 2022													525,000	680,400	52,500	1,310,600	4,234,991	421,706	75,949	556	498,211	7,301,702	2,659,964	9,961,666	9,961,666	9,961,666	

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 nine-month period ended 30 September 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 in the percentage of shareholding in subsidiary	Capital reserve for share-based payment transactions	Total other component of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity									
		Retained earnings																						
		Appropriated																						
Issued and paid up share capital	Share premium	Statutory reserve	General reserve	Unappropriated	financial statements in foreign currency	in the percentage of shareholding in subsidiary	for share-based payment transactions	component of shareholders' equity	owners of the Company	interests of the subsidiaries	Total shareholders' equity	Total shareholders' equity	Total shareholders' equity	Total shareholders' equity	Total shareholders' equity									
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 1.4)													-	-	-	-	(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													-	-	-	-	1,700,391	-	-	-	-	1,700,391	1,042,277	2,742,668
Other comprehensive income for the period													-	-	-	-	(22)	181,546	-	-	181,546	181,524	114,748	296,272
Total comprehensive income for the period													-	-	-	-	1,700,369	181,546	-	-	181,546	1,881,915	1,157,025	3,038,940
Dividend paid (Note 16)													-	-	-	-	(1,391,249)	-	-	-	(1,391,249)	-	(1,391,249)	
Decrease in non-controlling interests of the subsidiaries from dividend payments of subsidiaries													-	-	-	-	-	-	-	-	-	-	(639,295)	(639,295)
Balance as at 30 September 2023													525,000	680,400	52,500	1,310,600	4,982,513	293,825	75,949	556	370,330	7,921,343	2,768,812	10,690,155

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 nine-month period ended 30 September 2023

(Unit: Thousand Baht)

	Separate financial statements					Total shareholders' equity
	Issued and paid up share capital	Share premium	Retained earnings			
			Appropriated		Unappropriated	
			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	-	-	-	-	1,575,580	1,575,580
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	1,575,580	1,575,580
Dividend paid (Note 16)	-	-	-	-	(1,286,249)	(1,286,249)
Balance as at 30 September 2022	<u>525,000</u>	<u>680,400</u>	<u>52,500</u>	<u>1,310,600</u>	<u>1,151,085</u>	<u>3,719,585</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	-	-	-	-	1,024,499	1,024,499
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	1,024,499	1,024,499
Dividend paid (Note 16)	-	-	-	-	(1,391,249)	(1,391,249)
Balance as at 30 September 2023	<u>525,000</u>	<u>680,400</u>	<u>52,500</u>	<u>1,310,600</u>	<u>1,532,163</u>	<u>4,100,663</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 nine-month period ended 30 September 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	4,298,668	6,344,250	1,296,745	1,951,578
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	1,147,680	828,399	53,421	47,454
Reversal of reduction of inventories to net realisable value	-	(16,312)	-	(15,526)
Write-off of inventories	-	114	-	-
Unrealised gain on change in value of investments in general fixed income funds	(11)	(3)	-	-
Share of profit from investments in associated companies	(104,123)	(142,968)	-	-
Allowance for impairment loss on investments in subsidiaries	-	-	4,825	32,068
Write-off of value added tax refundable and prepaid income tax	130	9,883	-	-
Loss (gain) on disposals and write-off of machine, equipment computer software and investment properties	6,822	3,911	(1,333)	(606)
Gain on write-off of right-of-use assets from contract cancellation	(64)	(57)	(47)	-
Loss on write-off of deferred stripping costs	3,500	-	-	-
Write-back of dividend payable	(27)	(384)	(27)	(384)
Allowance for impairment loss on assets (reversal)	(1,567)	32,484	-	-
Dividend income	-	-	(1,099,503)	(1,667,196)
Provision for long-term employee benefits	20,225	24,340	2,751	2,684
Provision for mine reclamation and decommissioning costs	27,748	38,528	-	-
Unrealised loss (gain) on exchange	14,586	(29,709)	(3,310)	(7,588)
Unrealised gain on derivative	(2,718)	-	(2,718)	-
Finance income	(50,911)	(21,115)	(24,477)	(6,661)
Finance cost	64,016	41,541	1,779	1,902
Profit from operating activities before changes in operating assets and liabilities	5,423,954	7,112,902	228,106	337,725

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 nine-month period ended 30 September 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 operating activities (continued)				
Operating assets (increase) decrease				
Trade and other receivables	(18,082)	(1,163,344)	31,578	(35,520)
Inventories	(501,906)	(310,523)	3,552	(58,983)
Value added tax refundable	43,601	(22,825)	(230)	(226)
Advance payments for goods	575,451	257,210	43,977	13,030
Other current financial assets	-	30	-	7
Other current assets	(216,185)	(223,975)	(1,341)	(334)
Operating liabilities increase (decrease)				
Trade and other payables	134,402	380,154	(788)	82,744
Accrued expenses	277,953	241,352	(36,896)	(28,706)
Other current financial liabilities	(3,569)	146	(3,568)	92
Other current liabilities	(63,594)	100,411	30,128	35,192
Cash paid for long-term employee benefits	(3,452)	(2,873)	(2,416)	-
Cash paid for mine reclamation	<u>(23,840)</u>	<u>(24,927)</u>	-	-
Cash from operating activities	5,624,733	6,343,738	292,102	345,021
Interest income	44,799	19,083	18,437	4,679
Cash paid for interest expenses	(56,190)	(35,221)	-	-
Refund of income tax	29,074	114,083	-	-
Cash paid for income tax	<u>(2,511,086)</u>	<u>(2,338,805)</u>	<u>(268,772)</u>	<u>(377,578)</u>
Net cash from (used in) operating activities	3,131,330	4,102,878	41,767	(27,878)
Cash flows from investing activities				
Decrease in fixed deposits	392,602	101,000	392,602	101,000
Decrease (increase) in restricted bank deposits	(684,704)	6,344	-	-
Decrease in long-term loan to related party	48,286	18,618	48,286	18,618
Dividend received from subsidiaries and associated company	10,645	8,584	1,099,503	1,667,196
Proceeds from disposals of machine and equipment	2,740	3,316	2,103	606
Acquisitions of plant and equipment	(280,638)	(259,106)	(21,457)	(17,865)
Acquisitions of computer software	(3,798)	(328)	(1,897)	-
Acquisitions of biological asset	(3,169)	(2,757)	-	-
Decrease (increase) in other non-current financial assets	(1,504)	1,156	(1,495)	-
Increase in other non-current assets	<u>(778,811)</u>	<u>(626,433)</u>	-	-
Net cash from (used in) investing activities	(1,298,351)	(749,606)	1,517,645	1,769,555

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

Lanna Resources Public Company Limited and its subsidiaries**Statements of cash flows (continued)****For the nine-month period ended 30 September 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	(288,613)	45,031	-	-
Cash received from long-term loans from financial institution	41,212	45,443	-	-
Repayment of long-term loans from financial institution	(223,079)	(212,939)	-	-
Cash paid for principal portion of lease liabilities	(22,827)	(23,113)	(9,549)	(8,889)
Cash paid for interest expense of lease liabilities	(3,113)	(3,764)	(1,779)	(1,902)
Dividend paid	(2,030,544)	(2,317,278)	(1,391,249)	(1,286,249)
Increase in non-controlling interests of the subsidiaries	114,748	236,715	-	-
Net cash used in financing activities	<u>(2,412,216)</u>	<u>(2,229,905)</u>	<u>(1,402,577)</u>	<u>(1,297,040)</u>
Increase in translation adjustments	<u>166,695</u>	<u>356,959</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	<u>(412,542)</u>	<u>1,480,326</u>	<u>156,835</u>	<u>444,637</u>
Cash and cash equivalents at beginning of period	3,028,666	2,163,718	987,798	874,231
Effect of change in foreign exchange rate on cash at bank balance	-	(2,363)	-	(2,363)
Cash and cash equivalents at end of period	<u><u>2,616,124</u></u>	<u><u>3,641,681</u></u>	<u><u>1,144,633</u></u>	<u><u>1,316,505</u></u>
	-		-	
Supplemental cash flows information:				
Non-cash transactions				
Additions to right-of-use assets and lease liabilities	12,964	13,796	9,105	2,616
Payables from purchases of plant and equipment and intangible assets	5,705	7,303	1,162	4,186
Transfer equipment to other non-current assets	-	3,173	-	-

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 nine-month periods ended 30 September 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.

1.4 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	<u>75</u>	<u>(9,848)</u>
Retained earnings	<u>75</u>	<u>(9,848)</u>
Total shareholders' equity	<u><u>75</u></u>	<u><u>(9,848)</u></u>

(Unaudited but reviewed)

	(Unit: Thousand Baht)	
	Increase (decrease)	
	For the three-month period ended 30 September 2022	For the nine-month period ended 30 September 2022
Income statement		
Sales	7,034	18,752
Cost of sales	2,784	8,101
Income tax expenses	1,406	3,750
Net profit for the period	2,844	6,901
Earnings per share (Baht):		
Basic earnings per share	0.01	0.01

1.5 New financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2024

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

2. 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.

(Unaudited but reviewed)

Summaries business transactions with related parties are as follows.

(Unit: Thousand Baht)

For the three-month periods ended 30 September

	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	-	-	-	702,164
Commission and marketing service income	-	-	75,890	79,331
Service income	-	-	23,275	22,442
Purchase of coal	-	-	61,549	209,315
<u>Transactions with major shareholder</u>				
Sales of coal	276,929	323,216	276,929	323,216
<u>Transactions with associated companies</u>				
Interest income	585	979	585	979
Purchase of coal	116,136	84,052	116,136	84,052
Freight charge	72,787	102,085	72,787	102,085

(Unit: Thousand Baht)

For the nine-month periods ended 30 September

	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	1,658,612
Commission and marketing service income	-	-	226,540	210,356
Service income	-	-	69,880	58,852
Purchase of coal	-	-	264,911	621,534
<u>Transactions with major shareholder</u>				
Sales of coal	1,056,666	962,545	1,056,666	962,545
Other income	523	-	523	-
<u>Transactions with associated companies</u>				
Dividend income	-	-	10,645	8,584
Interest income	1,969	2,127	1,969	2,127
Purchase of coal	547,598	253,597	547,598	253,597
Freight charge	274,256	249,706	274,256	249,706
<u>Transactions with related person and company</u>				
Sales of coal	-	1,833	-	1,833

(Unaudited but reviewed)

As at 30 September 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 September 2023	31 December 2022	30 September 2023	31 December 2022
<u>Trade and other receivables - related parties</u>				
(Note 3)				
Major shareholder	359,861	384,358	359,861	384,358
Subsidiaries	-	-	44,074	25,488
Associated company	640	2,054	640	2,054
Total trade and other receivables - related parties	<u>360,501</u>	<u>386,412</u>	<u>404,575</u>	<u>411,900</u>
<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	<u>-</u>	<u>43,977</u>	<u>12,949</u>	<u>56,926</u>
<u>Trade and other payables - related party</u>				
(Note 12)				
Associated company	1,405	-	1,405	-
Total trade and other payables - related party	<u>1,405</u>	<u>-</u>	<u>1,405</u>	<u>-</u>

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 nine-month period ended 30 September 2023 was summarised below.

(Unit: Thousand Baht)

	Consolidated and separate financial statements		
	Balance as at	Decrease	Balance as at
	31 December 2022	during the period	30 September 2023
Long-term loan to related company			
Associated company	<u>90,194</u>	<u>(45,845)</u>	<u>44,349</u>

(Unaudited but reviewed)

Directors and management's benefits

During the three-month and nine-month periods ended 30 September 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 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Short-term employee benefits	70,238	62,304	10,074	8,931
Post-employment benefits	2,089	3,197	484	450
Total	<u>72,327</u>	<u>65,501</u>	<u>10,558</u>	<u>9,381</u>

(Unit: Thousand Baht)

	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Short-term employee benefits	172,944	152,278	53,784	43,745
Post-employment benefits	9,118	9,806	1,453	1,350
Total	<u>182,062</u>	<u>162,084</u>	<u>55,237</u>	<u>45,095</u>

3. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Trade receivables - related parties</u>				
Age on the basis of due dates				
Not yet due	359,861	384,358	390,281	402,561
Total trade receivables - related parties	<u>359,861</u>	<u>384,358</u>	<u>390,281</u>	<u>402,561</u>
<u>Trade receivables - unrelated parties</u>				
Age on the basis of due dates				
Not yet due	1,375,321	1,204,454	46,762	70,786
Past due				
Up to 3 months	118,589	221,517	-	-
3 - 6 months	1,547	-	-	-
Total trade receivables - unrelated parties	<u>1,495,457</u>	<u>1,425,971</u>	<u>46,762</u>	<u>70,786</u>
Total trade receivables - net	<u>1,855,318</u>	<u>1,810,329</u>	<u>437,043</u>	<u>473,347</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2023	31 December 2022	30 September 2023	31 December 2022
<u>Other receivables</u>				
Other receivables - related parties	55	-	13,709	7,285
Other receivables - unrelated parties	38,388	65,506	1	953
Advances	157	-	157	-
Interest receivable - related party	585	2,054	585	2,054
Interest receivable - unrelated parties	9,204	1,623	9,123	1,614
Total other receivables	48,389	69,183	23,575	11,906
Total trade and other receivables	1,903,707	1,879,512	460,618	485,253

An overseas subsidiary has pledged its trade receivables to secure credit facilities from the financial institutions. As at 30 September 2023, the balance of trade receivables totaling Rupiah 90,000 million or approximately Baht 204.0 million (31 December 2022: Rupiah 90,000 million or approximately Baht 191.0 million) were placed to secure such credit facilities.

4. Other current financial assets

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2023	31 December 2022	30 September 2023	31 December 2022
<u>Measured at amortised cost</u>				
Fixed deposits	1,049,900	1,442,502	1,049,900	1,442,502
<u>Measured at FVTPL</u>				
Investments in General Fixed Income funds	1,085	1,074	-	-
Derivative assets	2,718	-	2,718	-
Total	1,053,703	1,443,576	1,052,618	1,442,502

5. Restricted bank deposits

As at 30 September 2023, the overseas subsidiaries have restricted bank deposits of USD 20.2 million or approximately Baht 739.8 million resulting from the government required the overseas subsidiaries to held 30% of cash received from export sale in bank account.

As at 30 September 2023, the overseas subsidiaries have restricted bank deposits of USD 11.1 million or approximately Baht 404.9 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.

6. 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		Dividends received for the nine-month periods ended	
	30 September	31 December	30 September	31 December	30 September	31 December	30 September	30 September
	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	1,165,511
PT. Lanna Harita Indonesia (Incorporated in Indonesia)	USD 8 million	USD 8 million	55.00	55.00	155,023	155,023	189,429	493,101
Total investments in subsidiaries					987,444	987,444	1,088,858	1,658,612
Less: Allowance for impairment loss of the investment					(197,954)	(193,129)		
Total investments in subsidiaries - net					789,490	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

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)

7. Investments in associated companies

(Unit: Thousand Baht)

Company	Nature of business	Relationship	Paid up capital		Shareholding percentage		Consolidated financial statements		Separate financial statements			
							Carrying amounts based on equity method		Cost		Dividends received for the nine-month periods ended	
							30 September 2023	31 December 2022	30 September 2023	31 December 2022	30 September 2023	31 December 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	21,232	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	455,607	359,784	58,437	58,437	-	-
Total							476,839	383,383	59,328	59,328	10,645	8,584

(Unaudited but reviewed)

During the three-month and nine-month periods ended 30 September 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 September				For the nine-month periods ended 30 September			
	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.	2,354	2,315	-	-	8,278	6,663	-	-
PT. Pesona Khatulistiwa Nusantara	10,779	54,818	-	-	95,845	136,305	(22)	(117)
Total	<u>13,133</u>	<u>57,133</u>	<u>-</u>	<u>-</u>	<u>104,123</u>	<u>142,968</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.

8. Property, plant and equipment

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

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 31 December 2022	3,997,277	335,705
Adjusted from the change in accounting policy (Note 1.4)	114	-
Net book value as at 31 December 2022 - Restated	3,997,391	335,705
Acquisitions during the period - cost	277,574	16,754
Disposal and write-off during the period - net book value		
on disposal and write-off date	(7,124)	(10)
Depreciation for the period	(260,248)	(13,669)
Translation adjustments	59,679	-
Net book value as at 30 September 2023	<u>4,067,272</u>	<u>338,780</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 September 2023: Nil). Borrowing costs amounting to Baht 0.1 million were capitalised during the nine-month period ended 30 September 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 September 2023 amounting to approximately Baht 1,143 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 11 and 13.

The overseas subsidiary has mortgaged part of its land, machinery, and equipment with net book value as at 30 September 2023 amounting to approximately USD 16.3 million or equivalent to Baht 596.5 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 11 and 13.

9. Intangible assets

Movement in the intangible assets account for the nine-month period ended 30 September 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	3,798	-	3,798
Amortisation for period	(1,193)	(29,623)	(30,816)
Disposal and write-off during the period - net book value on write-off date	(110)	-	(110)
Net book value as at 30 September 2023	<u>5,255</u>	<u>42,873</u>	<u>48,128</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	(412)	(29,623)	(30,035)
Net book value as at 30 September 2023	<u>2,117</u>	<u>42,873</u>	<u>44,990</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)

10. 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 September	31 December
	2023	2022
Deferred expenses - Indonesia coal mine project	199,442	216,774
Deferred stripping costs	706,666	692,404
Total other non-current assets	<u>906,108</u>	<u>909,178</u>
Amortisation expenses for the period/year	<u>830,883</u>	<u>665,195</u>

11. Short-term loans from financial institutions

	(Unit: Thousand Baht)			
	Interest rate		Consolidated	
	(percent per annum)		financial statements	
	30 September	31 December	30 September	31 December
	2023	2022	2023	2022
Promissory notes	4.10 - 5.20	3.00 - 3.90	1,015,746	1,303,948
Total			<u>1,015,746</u>	<u>1,303,948</u>

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

	(Unit: Thousand Baht)
Balance as at 31 December 2022	1,303,948
Add: Increase during the period	3,010,284
Amortisation of transaction costs during the period	411
Less: Repayment during the period	<u>(3,298,897)</u>
Balance as at 30 September 2023	<u>1,015,746</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 8.

(Unaudited but reviewed)

As at 30 September 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 1,169.9 million and Baht 633.9 million totaling of Baht 1,803.8 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).

12. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2023	2022	2023	2022
Trade payables - related party	1,405	-	1,405	-
Trade payables - unrelated parties	707,123	605,183	33,739	33,275
Other payables - unrelated parties	166,730	138,703	2,760	10,086
Total trade and other payables	<u>875,258</u>	<u>743,886</u>	<u>37,904</u>	<u>43,361</u>

13. Long-term loans from financial institutions

(Unit: Thousand Baht)

	Consolidated	
	financial statements	
	30 September	31 December
	2023	2022
Long-term loans from financial institutions	531,931	705,348
Less: Current portion	<u>(299,636)</u>	<u>(321,044)</u>
Long-term loans from financial institutions - net of current portion	<u>232,295</u>	<u>384,304</u>

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

(Unit: Thousand Baht)

Balance as at 31 December 2022	705,348
Increase during the period	41,212
Amortisation of transaction costs during the period	759
Repayment during the period	<u>(223,079)</u>
Translation adjustments	<u>7,691</u>
Balance as at 30 September 2023	<u>531,931</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 September 2023 and 31 December 2022 a local subsidiary could not maintain certain financial ratio as specified in the loan agreement. However, a local subsidiary had obtained a waiver letter for the condition maintain certain financial ratios from bank on 28 September 2023 and 3 November 2022, respectively.

As at 30 September 2023, the long-term credit facilities of the Group which have not yet been drawn down amounted to USD 4.3 million or approximately Baht 158.1 million (31 December 2022: USD 5.5 million or approximately Baht 188.4 million).

14. 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 nine-month periods ended 30 September 2023 and 2022 are made up as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 30 September			
	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	154,041	462,964	-	-
Adjustment in respect of income tax of previous year	1,703	57	-	-
Withholding tax deducted at source recognised as expenses during the period	18,017	17,597	18,017	158,029
Deferred tax:				
Relating to origination and reversal of temporary differences	45,381	127,379	-	(301)
Income tax reported in the income statements	<u>219,142</u>	<u>607,997</u>	<u>18,017</u>	<u>157,728</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the nine-month periods ended 30 September			
	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	1,179,459	1,731,914	-	-
Adjustment in respect of income tax of previous year	22,476	3,077	-	-
Withholding tax deducted at source recognised as expenses during the period	54,397	45,991	272,169	379,843
Deferred tax:				
Relating to origination and reversal of temporary differences	229,668	475,404	77	(3,845)
Income tax reported in the income statements	<u>1,556,000</u>	<u>2,256,386</u>	<u>272,246</u>	<u>375,998</u>

15. 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.

16. Dividend paid

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

The Company

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
Interim dividends for 2023	Board of Directors' meeting on 21 August 2023	577,499	1.10	20 September 2023
Total		<u>1,391,249</u>	<u>2.65</u>	
<u>2022</u>				
Final dividends for 2021	Annual General Meeting of the shareholders on 18 April 2022	525,000	1.00	17 May 2022
Interim dividends for 2022	Board of Directors' meeting on 22 August 2022	761,249	1.45	20 September 2022
Total		<u>1,286,249</u>	<u>2.45</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>
<u>2023</u>				
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>	
<u>2022</u>				
The third interim dividends for 2021	Board of Directors' meeting on 28 March 2022	5,000	625.0	25 May 2022
Final dividends for 2021	Annual General Meeting of the shareholders on 30 June 2022	10,000	1,250.0	30 June 2022
The first interim dividends for 2022	Board of Directors' meeting on 20 September 2022	10,000	1,250.0	28 September 2022
Total		<u>25,000</u>	<u>3,125.0</u>	

During the nine-month period ended 30 September 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 13.8 million or equivalent to Baht 493.1 million. The Company had been withheld the withholding tax deducted at source of Baht 99.1 million).

(Unaudited but reviewed)

PT. Singlurus Pratama

<u>Dividends</u>	<u>Approved by</u>	<u>Total dividends</u> (Thousand US Dollar)	<u>Dividend per share</u> (US Dollar)	<u>Paid on</u>
<u>2023</u>				
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>	
<u>2022</u>				
The third interim dividends for 2021	Board of Directors' meeting on 28 March 2022	10,000	952.4	10 May 2022
Final dividends for 2021	Annual General Meeting of the shareholders on 30 June 2022	20,000	1,904.8	30 June 2022
The first interim dividends for 2022	Board of Directors' meeting on 20 September 2022	20,000	1,904.8	20 September 2022
Total		<u>50,000</u>	<u>4,762.0</u>	

During the nine-month period ended 30 September 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 32.5 million or equivalent to Baht 1,165.5 million. The Company had been withheld the withholding tax deducted at source of Baht 234.7 million).

17. 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 nine-month periods ended 30 September 2023 and 2022.

(Unaudited but reviewed)

(Unit: Million Baht)

For the three-month periods ended 30 September

	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	383	473	3,858	5,938	502	542	6	7	-	-	4,749	6,960
Inter-segment revenues	109	111	61	210	-	-	-	-	(170)	(321)	-	-
Total revenue	<u>492</u>	<u>584</u>	<u>3,919</u>	<u>6,148</u>	<u>502</u>	<u>542</u>	<u>6</u>	<u>7</u>	<u>(170)</u>	<u>(321)</u>	<u>4,749</u>	<u>6,960</u>
Operating results												
Segment gross profit	145	165	1,959	3,745	34	19	3	4	(94)	(95)	2,047	3,838
Other income											12	19
Share of profit from investments in associated companies											13	57
Gain (loss) on exchange											(32)	4
Selling and distribution expenses											(1,239)	(2,011)
Administrative expenses											(164)	(172)
Finance income											21	7
Finance cost											(20)	(13)
Profit before income tax expenses											<u>638</u>	<u>1,729</u>
Income tax expenses											(219)	(608)
Profit for the period											<u><u>419</u></u>	<u><u>1,121</u></u>

(Unaudited but reviewed)

(Unit: Million Baht)

For the nine-month periods ended 30 September

	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	1,418	1,441	14,148	16,578	2,031	1,494	35	19	-	-	17,632	19,532
Inter-segment revenues	326	294	265	622	-	-	-	-	(591)	(916)	-	-
Total revenue	<u>1,744</u>	<u>1,735</u>	<u>14,413</u>	<u>17,200</u>	<u>2,031</u>	<u>1,494</u>	<u>35</u>	<u>19</u>	<u>(591)</u>	<u>(916)</u>	<u>17,632</u>	<u>19,532</u>
Operating results												
Segment gross profit	446	495	8,592	11,303	187	55	17	10	(310)	(272)	8,932	11,591
Other income											67	82
Share of profit from investments in associated companies											104	143
Loss on exchange											(1)	(13)
Selling and distribution expenses											(4,317)	(4,945)
Administrative expenses											(473)	(493)
Finance income											51	21
Finance cost											(64)	(42)
Profit before income tax expenses											<u>4,299</u>	<u>6,344</u>
Income tax expenses											<u>(1,556)</u>	<u>(2,256)</u>
Profit for the period											<u><u>2,743</u></u>	<u><u>4,088</u></u>

18. Significant contracts and agreements

18.1 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.

18.2 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.

18.3 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.

19. Commitments and contingent liabilities

19.1 Capital commitments

As at 30 September 2023, the Group had capital commitments of Baht 3.1 million, relating to the construction of sludge tank and effluent quality inspection tank, 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.)

19.2 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 September 2023	31 December 2022	30 September 2023	31 December 2022
In up to 1 year	3.0	2.0	0.6	0.6
In over 1 year and up to 5 years	0.4	0.6	0.4	0.6

- b) The Group had commitments under service agreements regarding the legal consulting, the consulting for financing and management of Baht 3.5 million (The Company Only: Baht 3.5 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.

19.3 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.

19.4 Guarantees

As at 30 September 2023, the Group had bank guarantees of approximately Baht 6.0 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.

20. 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.

21 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 September 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	-	36.3944	36.7222

(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

22. Financial Instrument

22.1 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.

22.2 Fair value hierarchy

As at 30 September 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	1,085	1,085	-	-
Derivatives - Foreign				
exchange contracts	2,718	2,718	2,718	2,718

23. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's authorised directors on 13 November 2023.