

1 General information

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

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

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

This interim financial information was authorised by the Company’s Board of Directors on 11 August 2023.

This interim financial information has been reviewed, not audited.

2 Basis of preparation

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

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

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

3 Accounting policies

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2022.

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

4 Estimates

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

5 Segment and revenue information

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

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

	Consolidated financial information		Separate financial information	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
For the six-month period ended 30 June				
Revenue from sales	158,658,897	143,279,111	158,658,897	143,279,111
Revenue from services	6,249,660	5,981,911	26,079,933	29,827,811
Total	164,908,557	149,261,022	184,738,830	173,106,922

Information about major customers

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

6 Fair value

The fair value of financial assets and financial liabilities of the Group is approximate the carrying amounts since the majority of the instruments are short-term in nature. Long-term loans from financial institution in which the fair value is equal its carrying amount, as the interest of loans is float rate except for long-term loans to a subsidiary in which the fair value is disclosed in Note 21.6.

7 Financial assets measured at amortised cost

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2023 Baht	(Audited) 31 December 2022 Baht	(Unaudited) 30 June 2023 Baht	(Audited) 31 December 2022 Baht
Fixed deposits at financial institutions	40,487,823	40,484,047	40,002,000	40,000,000

As at 30 June 2023, fixed deposits at financial institutions are fixed deposit between 3 months to 6 months carry interest at the rate 0.60% to 0.85% per annum.

8 Trade and other receivables, net

The detail of trade and other receivables is as follows:

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2023 Baht	(Audited) 31 December 2022 Baht	(Unaudited) 30 June 2023 Baht	(Audited) 31 December 2022 Baht
Trade receivables - others	136,087,422	124,392,375	136,087,422	124,392,375
<u>Less</u> Allowance for expected credit loss	(103,077,175)	(103,422,483)	(103,077,175)	(103,422,483)
Total trade receivables, net	33,010,247	20,969,892	33,010,247	20,969,892
Other receivables				
- related parties (Note 21.3)	-	-	20,286,453	14,361,264
Prepaid expenses	3,505,647	3,455,713	2,391,934	2,738,567
Advance payments				
- others	1,242,450	1,549,403	45,000	1,274,705
- related parties (Note 21.3)	-	-	984,248	1,149,837
Others	184,183	243,565	77,185	135,066
Total	37,942,527	26,218,573	56,795,067	40,629,331

The aging analysis of trade receivables is as follows:

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2023 Baht	(Audited) 31 December 2022 Baht	(Unaudited) 30 June 2023 Baht	(Audited) 31 December 2022 Baht
Within credit term	26,829,973	14,071,974	26,829,973	14,071,974
Overdue below 3 months	6,180,274	6,897,918	6,180,274	6,897,918
Overdue 3 - 6 months	-	-	-	-
Overdue 6 - 12 months	-	-	-	-
Overdue more than 12 months	103,077,175	103,422,483	103,077,175	103,422,483
Total	136,087,422	124,392,375	136,087,422	124,392,375
<u>Less</u> Allowance for expected credit loss	(103,077,175)	(103,422,483)	(103,077,175)	(103,422,483)
Trade receivables, net	33,010,247	20,969,892	33,010,247	20,969,892

9 Inventories, net

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2023 Baht	(Audited) 31 December 2022 Baht	(Unaudited) 30 June 2023 Baht	(Audited) 31 December 2022 Baht
Raw materials	8,432,151	10,504,152	4,843,898	6,473,489
Semi-finished goods	87,210,846	78,175,733	69,286,058	62,427,836
Finished goods	39,732,646	30,960,422	3,458,796	667,344
Spare parts and supplies	11,523,526	12,157,537	6,685,621	7,088,010
	146,899,169	131,797,844	84,274,373	76,656,679
<u>Less</u> Allowance for net realisable value	(10,997,090)	(11,251,337)	(3,829,207)	(4,011,907)
Total	135,902,079	120,546,507	80,445,166	72,644,772

Stone One Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the six-month period ended 30 June 2023

10 Investment in a subsidiary

Investment in a subsidiary is as follows:

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

11 Property plant and equipment and intangible assets, net

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

	Consolidated financial information	
	Property, plant and equipment Baht	Intangible assets Baht
For the six-month period ended 30 June 2023		
Opening book value, net (Audited)	326,998,863	14,491,672
Addition	30,465,241	-
Disposal, net	(686,720)	-
Write-off, net	(186,384)	-
Depreciation/amortisation	(16,776,826)	(1,262,292)
Closing book value, net (Unaudited)	339,814,174	13,229,380
	Separated financial information	
	Property, plant and equipment Baht	Intangible assets Baht
For the six-month period ended 30 June 2023		
Opening book value, net (Audited)	139,431,897	3,399,327
Addition	6,899,747	-
Disposal, net	(686,720)	-
Write-off, net	(186,384)	-
Depreciation/amortisation	(12,527,806)	(434,653)
Closing book value, net (Unaudited)	132,930,734	2,964,674

As at 30 June 2023, part of land of the Company amounting to Baht 13.85 million has been mortgaged as collateral for credit facilities of the Group (Note 14.1) and partial machinery of the Subsidiary with book value of Baht 22.60 million has been mortgaged as collateral for long-term loans from financial institution of subsidiary (Note 14.2).

12 Right-of-use assets, net

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

	Consolidated financial information	Separate financial information
	30 June 2023 Baht	30 June 2023 Baht
Opening book value, net (Audited)	48,197,671	24,437,309
Addition	9,257,521	-

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Depreciation	(4,974,288)	(3,654,256)
Closing book value, net (Unaudited)	52,480,904	20,783,053

13 Deferred excavation costs, net

Change of deferred excavation cost is as follows:

	Consolidated financial information	Separate financial information
	30 June 2023 Baht	30 June 2023 Baht
Opening book value, net (Audited)	10,157,281	9,007,444
Amortisation	(1,985,769)	(1,820,182)
Closing net book value, net (Unaudited)	8,171,512	7,187,262

14 Short-term loan from financial institution

14.1 Short-term loan from financial institution

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

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

	Consolidated financial statements
	30 June 2023 Baht
Opening balance (Audited)	-
Cash flows:	
Addition during the period	12,000,000
Payment during the period	(8,000,000)
Closing balance (Unaudited)	4,000,000

On 30 June 2023, short-term loan from financial institution of Baht 4 million bears interest at the rate of 4.34% per annum and partial land and building of the Company amounting to Baht 13.85 million has been mortgaged as collateral for credit facilities of the Group (Note 11).

14.2 Long-term loans from financial institution

	Consolidated financial statements	
	(Unaudited) 30 June 2023 Baht	(Audited) 31 December 2022 Baht
Long-term loans from financial institution		
- due for repayment within 1 year	5,321,667	4,934,241
Long-term loans from financial institution		
- due for repayment later than 1 year	14,920,298	6,065,759
	20,241,965	11,000,000

Stone One Public Company Limited
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Movement of long-term loans from financial institution is as follows:

	Consolidated financial statements
	30 June 2023 Baht
Opening balance (Audited)	11,000,000
Addition during the period	11,000,000
Payment during the period	(1,758,035)
Closing balance (Unaudited)	20,241,965

As at 30 June 2023, long-term loans from financial institution bear an interest rate at MLR minus 2.43% and start paying from 2023 until 2027. The Company has provided loan guarantee for Rachaburi Enterprise Co., Ltd., a subsidiary company. Subsidiary uses its machine which is valued at Baht 22.60 million as collateral for the loans facility (Note 11).

15 Trade and other payables

	Consolidated financial information		Separate financial information	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	30 June 2023 Baht	31 December 2022 Baht	30 June 2023 Baht	31 December 2022 Baht
Trade payables - others	14,700,227	14,898,653	6,269,543	5,897,435
- related parties (Note 21.3)	-	-	18,597,069	15,523,015
Advance received for goods and services	2,251,637	1,037,568	2,251,637	1,037,568
Other payables - others	14,651,631	8,240,714	5,736,907	5,046,947
- related parties (Note 21.3)	230,692	230,692	230,692	230,692
Accrued expenses	6,372,862	3,610,419	3,935,352	1,899,203
Retention	489,765	417,600	400,000	400,000
Others	40,762	26,610	11,845	26,610
Total	38,737,576	28,462,256	37,433,045	30,061,470

Revenue recognised in relation to contract liabilities

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

	Consolidated financial information (Unaudited)
	30 June 2023 Baht
Revenue recognised included in the contract liability balance at the beginning of the period	563,853

16 Lease liabilities, net

Maturity of lease liabilities is as follows:

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2023 Baht	(Audited) 31 December 2022 Baht	(Unaudited) 30 June 2023 Baht	(Audited) 31 December 2022 Baht
Minimum lease liabilities payments				
Not later than one year	13,717,503	14,325,952	9,524,347	8,729,076
Later than 1 year but not later than 5 years	18,594,652	18,181,125	11,708,877	17,009,936
	32,312,155	32,507,077	21,233,224	25,739,012
<u>Less</u> Future finance charges on leases	(2,298,584)	(2,256,572)	(1,402,910)	(1,966,678)
Present value of lease liabilities	30,013,571	30,250,505	19,830,314	23,772,334
Lease liabilities				
Current	12,473,168	13,050,348	8,698,695	7,690,063
Non-current	17,540,403	17,200,157	11,131,619	16,082,271
	30,013,571	30,250,505	19,830,314	23,772,334
Present value of lease liabilities				
Not later than one year	12,473,168	13,050,348	8,698,695	7,690,063
Later than 1 year but not later than 5 years	17,540,403	17,200,157	11,131,619	16,082,271
	30,013,571	30,250,505	19,830,314	23,772,334

17 Employee benefit obligations

The movement in the employee benefit obligation is as follows:

	Consolidated financial information	Separate financial information
	30 June 2023 Baht	30 June 2023 Baht
Opening balance (Audited)	24,750,103	19,730,712
Current service cost	1,747,330	1,341,195
Interest cost	225,383	160,423
	26,722,816	21,232,330
Payment from plans:		
Benefit payment	(2,096,800)	(2,096,800)
Closing balance (Unaudited)	24,626,016	19,135,530

18 Share capital

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

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

- Approve the change of share value from Baht 10 per share to Baht 1 per share. The Company's registered ordinary shares increased from 24.21 million shares to 242.13 million shares. The Company registered the change of share value with the Ministry of Commerce on 6 June 2023.
- Approve the increase of registered share capital by 65,000,000 shares with a par value of Baht 1 per share, totalling Baht 65,000,000. After the capital increase, the Company had 65,000,000 ordinary shares with a par value of Baht 1 per share, totalling Baht 307.13 million. The Company registered the capital increase with the Ministry of Commerce on 6 June 2023.

19 Income tax expense

The interim income tax expense is accrued by management's estimate using the tax rate that based on the expected profit for the full year. The estimated tax rate for the consolidated financial information is 23.63% per annum (30 June 2022: 28.45% per annum) and the estimated tax rate for the separate financial information is 24.41% per annum (30 June 2022: 34.12% per annum). Change in tax rate from prior period is due to irregular non-deductible expenditure.

20 Earnings per share

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

	Consolidated financial information		Separate financial information	
	Unaudited 2023	Unaudited 2022	Unaudited 2023	Unaudited 2022
For the three-month period ended 30 June				
Net profit attributable to owner of the parent (Baht)	10,090,604	5,458,310	8,708,027	1,700,929
Weighted average number of paid-up ordinary shares in issued (Shares)	242,134,600	242,134,600	242,134,600	242,134,600
Basic earnings per share (Baht per share)	0.04	0.02	0.04	0.01
	Consolidated financial information		Separate financial information	
	(Unaudited) 2023	(Unaudited) 2022	(Unaudited) 2023	(Unaudited) 2022
For the six-month period ended 30 June				
Net profit attributable to owner of the parent (Baht)	14,902,835	12,443,519	10,730,687	4,652,898
Weighted average number of paid-up ordinary shares in issued (Shares)	242,134,600	242,134,600	242,134,600	242,134,600
Basic earnings per share (Baht per share)	0.06	0.05	0.04	0.02

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Referring to note 18, the Company changed its par value from Baht 10 per share to Baht 1 per share. The Company adjusted its number of weighted outstanding ordinary shares for the period ended 30 June 2022 to reflect change of par value of ordinary shares as if the event has occurred at the beginning of the earliest period presented.

21 Related-party transactions

21.1 Related parties

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

Related parties are as follows:

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

21.2 Transactions incurred during the periods

	Consolidated financial information		Separate financial information	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
For the six-month period ended 30 June				
<u>Management income</u>				
Subsidiary	-	-	19,830,273	22,342,012
<u>Rental and service income</u>				
Subsidiary	-	-	6,516,000	8,019,888
<u>Interest income</u>				
Subsidiary	-	-	613,265	174,983
<u>Sales of assets</u>				
Subsidiary	-	-	-	3,637,312
<u>Purchases of finished goods</u>				
Subsidiary	-	-	88,127,261	92,086,536
<u>Service and Rental expenses</u>				
Related parties	759,372	752,131	759,372	752,131

21.3 Outstanding balances at the end of the period

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2023 Baht	(Audited) 31 December 2022 Baht	(Unaudited) 30 June 2023 Baht	(Audited) 31 December 2022 Baht
<u>Other receivables</u>				
Subsidiary	-	-	20,286,453	14,361,264
<u>Advance payments</u>				
Subsidiary	-	-	984,248	1,149,837
<u>Trade account payables</u>				
Subsidiary	-	-	18,597,069	15,523,015
<u>Other payables</u>				
Related parties	230,692	230,692	230,692	230,692
<u>Accrued expenses</u>				
Subsidiary	-	-	115,356	-
<u>Lease liabilities</u>				
Related parties	-	85,600	-	85,600

21.4 Key management compensation

Key management compensation can be categorised as follows:

For the six-month period ended 30 June	Consolidated and separate financial information	
	(Unaudited) 2023 Baht	(Unaudited) 2022 Baht
Short-term benefits	8,735,683	9,130,808
Post-employee benefits	496,184	627,278
Total	9,231,867	9,758,086

21.5 Short-term loan to a subsidiary

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2023 Baht	(Audited) 31 December 2022 Baht	(Unaudited) 30 June 2023 Baht	(Audited) 31 December 2022 Baht
Short-term loan to a subsidiary	-	-	10,000,000	-
Total	-	-	10,000,000	-

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

	Consolidated financial information	Separate financial information
	Baht	Baht
Balance as at 1 January 2023 (Audited)	-	-
Addition	-	10,000,000
Balance as at 30 June 2023 (Unaudited)	-	10,000,000

On 30 June 2023, short-term loan to a subsidiary of Baht 10 million bearing the interest rate of 2.30% per annum. The first installment due in December 2023 and due within April 2024.

21.6 Long-term loans to a subsidiary

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2023 Baht	(Audited) 31 December 2022 Baht	(Unaudited) 30 June 2023 Baht	(Audited) 31 December 2022 Baht
Due for repayment within 1 year	-	-	8,142,857	6,666,667
Due for repayment later than 1 year	-	-	48,857,143	52,000,000
Total	-	-	57,000,000	58,666,667

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

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

As at 30 June 2023, long-term loans to a subsidiary bears interest rate of 2.05% per annum. Fair value of long-term loans to a subsidiary is Baht 51.01 million. The fair value is determined in level 3 of fair value, calculated by discounted cash flow model over the loan period based on market interest rate.

22 Contingent liabilities

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

23 Events occurring after the reporting date

The Company has 2 concessions related to granite industrial mine, comprising concession number 21375/15320 and concession number 21400/15786. Concession number 21375/15320 expired on 2 August 2023. The expiration of the concession has no effect to the interim financial information.