

## Business Overview

Stone One Public Company Limited (STX) operates a stone quarry business to produce and sell industrial stone products, namely granite and limestone, for use in the construction industry, as well as dolomite minerals.

- Industrial stones for construction are used as raw materials for the production of ready-mix concrete, road construction, asphalt mixing, embankment construction, railway ballast, and so on.
- Dolomite minerals are used as raw materials in various industries, such as the steel industry, glass and glass packaging manufacturing, cement production, and the agricultural industry, where it is used as a soil conditioner and for water treatment in shrimp ponds.

Currently, the group has two mines: Nong Kha Mine, Chonburi Province, with a mining concession for 25 years (expiring in 2032) held by the Company, which produces industrial stones for construction, namely granite. Chom Bueng Mine, Ratchaburi Province, with a mining concession for 25 years (expiring in 2042) held by a subsidiary, Ratchaburi Enterprise Co., Ltd., which produces industrial stones for construction, namely limestone and dolomite minerals

## Financial Statement

|  | 6M24 | 6M23 | 2023 | 2022 |
|--|------|------|------|------|
|--|------|------|------|------|

### Income Statement (MB)

|                   | 2024   | 2023   | 2022   | 2021   |
|-------------------|--------|--------|--------|--------|
| Revenues          | 221.90 | 166.46 | 371.28 | 279.55 |
| Expenses          | 188.30 | 145.51 | 318.98 | 248.35 |
| Net Profit (Loss) | 25.64  | 14.90  | 38.04  | 21.56  |

### Balance Sheet (MB)

|                      | 2024   | 2023   | 2022   | 2021   |
|----------------------|--------|--------|--------|--------|
| Assets               | 939.68 | 742.99 | 756.22 | 704.20 |
| Liabilities          | 100.75 | 124.79 | 112.78 | 100.89 |
| Shareholders' Equity | 838.93 | 618.21 | 643.44 | 603.31 |

### Cash Flow (MB)

|           | 2024   | 2023   | 2022   | 2021   |
|-----------|--------|--------|--------|--------|
| Operating | 59.43  | 19.24  | 48.83  | 70.50  |
| Investing | -6.44  | -24.63 | -21.27 | -59.01 |
| Financing | 154.73 | 3.29   | -6.99  | -42.44 |

### Financial Ratio

|               | 2024  | 2023  | 2022  | 2021  |
|---------------|-------|-------|-------|-------|
| EPS (Baht)    | 0.10  | 0.06  | 0.16  | 0.09  |
| GP Margin (%) | 24.88 | 23.97 | 23.23 | 26.71 |
| NP Margin (%) | 11.56 | 8.95  | 10.24 | 7.71  |
| D/E Ratio (x) | 0.12  | 0.20  | 0.18  | 0.17  |
| ROE (%)       | 5.34  | 3.88  | 5.91  | 3.54  |
| ROA (%)       | 6.38  | 3.32  | 6.92  | 3.04  |

## Business Plan

The company remains committed to developing its customer base for new products, particularly powdered dolomite. Targeted industries include glass, cement, and soil improvement (dolomite fertilizer). This product line expansion is set to drive long-term revenue and profit growth.

## Sustainable Development Plan

Due to the significant impact of the quarrying business on the environment, society and surrounding communities, the company is committed to operating under a sustainable development framework in the following three dimensions

**Environment:** Measures to reduce climate impact with dust control, truck coverings, air quality monitoring, and noise and vibration reduction from production processes.

**Social:** Promotes industry standards, supports local communities, engages in community activities, and ensures safety in operations.

**Governance:** Focuses on transparency, stakeholder consideration, and anti-corruption policies for ethical operations.

## Business Highlight

- STX is the first stone and dolomite mining company to be listed MAI. With a strong financial position and a D/E ratio of 0.12, it has the capacity to expand new investments and generate stable long-term returns
- Operating in the construction industry, which is fundamental and stable, STX faces less intense competition compared to other industries that compete with foreign operators.
- The business outlook is positive post-COVID and with the expected approval and disbursement of the 2024 fiscal budget in H2/2024, overall construction investment, particularly in government mega projects, is anticipated to grow.

## Performance and Analysis

### Business Performance Summary

The company's net profit for 6M/2024 was THB 25.64 million, an increase of THB 10.74 million (+72.1% YoY). This growth was primarily due to significant revenue from the sale of 20 mm granite and Big rocks used in port reclamation projects. Additionally, switching to external transportation services to control costs and reduce losses improved net profit. The company's earnings before interest, taxes, depreciation, and amortization (EBITDA) for 6M/2024 was THB 58.49 million, up by THB 2.49 million (+27.2% YoY). Earnings per share for 6M/2024 were THB 0.10 per share.

### Key Milestones

- The company's registered paid-up capital increased to 307.13 million baht from the previous 242.13 million baht due to the initial public offering (IPO) on April 26, 2024.
- On May 2, 2024, the board of directors approved an interim dividend payment from the company's retained earnings for 307.13 million shares at a rate of 0.055 baht per share, totaling 16.89 million baht. This dividend was paid to shareholders in May 2024.

### Progress of Acquiring New Mines - Phetchaburi

As of June 30, 2024, negotiations are underway regarding the terms of share purchase with the seller. The Company has completed the geological survey and reserve evaluation report and is finalizing proposals with financial, legal, and tax advisors for due diligence on the new mine. If the due diligence results are satisfactory, the acquisition will proceed as planned. The due diligence is expected to be completed by Q3/2024. Also, the company has secured a long-term loan for the mining project.

## Risk Management Policy

### Risk from Reliance on Major Customers and Limited Product

**Types:** The company relies heavily on a major group of ready-mixed concrete customers, which has accounted for 30-40% of revenue from 2020 to 2023. To manage this risk, the company is diversifying its customer base and expanding into new products, such as powdered dolomite, to add value and attract more clients.

## Recent Awards and Recognitions

### Social and Environmental Awards

- Green Mining Award 2023 - Mining Category, awarded by the Department of Primary Industries and Mines (DPIM)
- Green Mining Award 2023 - Crushing or Grinding Plant Category, awarded by the DPIM
- Green Industry Certification Level 3 from the Ministry of Industry.

**CSR-DPIM Continuous Award** for ongoing social responsibility; the group received the 2023 CSR-DPIM Award on July 8, 2024.

### ISO certifications.

- ISO 14001:2015 Environmental Management System
- ISO 9001:2015 Quality Management System
- ISO 45001:2018 Occupational Health and Safety Management System

## Revenue Structure

|           |     |
|-----------|-----|
| Granite   | 42% |
| LimeStone | 40% |
| Dolomite  | 18% |

## Stock Information

mai / PROPCON



| as of 28/06/24     | STX      | PROPCON | mai   |
|--------------------|----------|---------|-------|
| P/E (X)            | 10.30    | 31.72   | 40.95 |
| P/BV (X)           | 0.54     | 1.99    | 1.79  |
| Dividend yield (%) | -        | 1.58    | 2.06  |
|                    | 28/06/24 | -       | -     |
| Market Cap (MB)    | 457.63   | N/A     | N/A   |
| Price (B/Share)    | 1.49     | N/A     | N/A   |
| P/E (X)            | 10.30    | N/A     | N/A   |
| P/BV (X)           | 0.54     | N/A     | N/A   |

CG Report: -

## Major Shareholders

as of 04/07/2024

- Dragon One Co., Ltd. (25.74%)
- MR. IKUO ANO (25.67%)
- Rabex (Thailand) Co., Ltd. (7.88%)
- MISS VALLAYA LIMSATHAYURAT (4.23%)
- MR. SIAM WATCHARAPRECHA (2.86%)
- Others (33.62%)

## Company Information and Contact

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Other Trading Info. :

[https://www.settrade.com/C04\\_01\\_stock\\_quote\\_p1.jsp?txtSymbol=STX](https://www.settrade.com/C04_01_stock_quote_p1.jsp?txtSymbol=STX)