



Stone One Public Company Limited

Management Discussion and Analysis

Quarter 1 Ending 31 March 2025



Management Discussion and Analysis Q1/2025

Executive Summary

In Q1/2025, the Company reported total revenue of THB 110.08 million, representing a slight increase of THB 0.18 million or 0.16% compared to the same period last year. Revenue from core products continued to grow, while revenue from by-product sales and other income declined. Net profit in Q1/2025 surged to THB 41.12 million, marking a substantial increase of THB 29.92 million or 266.99% YoY. The sharp rise was mainly due to the reversal of expected credit loss provisions, following the successful debt recovery from certain trade receivables that had been overdue for more than 12 months. Additionally, EBITDA rose to THB 75.38 million, an increase of THB 48.30 million or 178.34% from Q1/2024.

The Company received approval from the Annual General Shareholders' meeting on April 30, 2025, to enter into an asset acquisition transaction by investing in the ordinary shares of Boonthavorn Mining Co., Ltd., a new limestone mine, with a total investment of THB 212.79 million. The meeting also approved an additional investment of up to THB 202.65 million in buildings, machinery, and related equipment. This new mine investment will enhance the Company's future reserves and support continuous growth through responsible business operations, while delivering long-term sustainable returns to all stakeholders. In addition, the Annual General Meeting of Shareholders approved the dividend payment from the net profit for the year ended December 31, 2024, at the rate of Baht 0.10 per share, totaling Baht 30.71 million. The dividend payment is scheduled to be made to shareholders on May 30, 2025.

Operation Performance according to Consolidated Financial Statement Q1/2025

Unit: Thousand Baht

Income Statement	3M/2025	3M/2024	Increase/(Decrease)	
Revenue				
Revenue from sales	98,186	90,051	8,135	9.03%
Revenue from services	3,139	3,717	(578)	(15.54%)
Revenue from sales of by-products	6,283	8,501	(2,218)	(26.09%)
Other income	2,476	7,635	(5,159)	(67.58%)
Total revenue	110,084	109,903	180	0.16%
Cost & Expenses				
Cost of sales & services	76,939	73,312	3,628	4.95%
Gross profit	24,386	20,456	3,930	19.21%
Gross profit margin %	24.07%	21.82%		2.25%
Selling and administrative expenses	22,453	21,874	579	2.65%

Income Statement	3M/2025	3M/2024	Increase/(Decrease)	
Expected credit losses (ECL)	(52,501)		(52,501)	
Total expenses	(30,048)	21,874	(51,922)	(237.37%)
Total costs and expenses	46,892	95,186	(48,294)	(50.74%)
Profit before finance costs and income taxes	63,192	14,718	48,474	329.36%
Finance costs	194	604	(410)	(67.81%)
Profit (loss) before income tax	62,998	14,114	48,884	346.35%
Income tax expenses	21,878	2,909	18,968	652.02%
Net profit	41,120	11,205	29,915	266.99%
Net profit margin (%)	37.35%	10.19%		27.16%
EBITDA	75,379	27,082	48,297	178.34%

The Company recorded total operating revenue of THB 110.08 million for Q1/2025, an increase of THB 0.18 million or 0.16% compared to the same period last year. This was mainly due to:

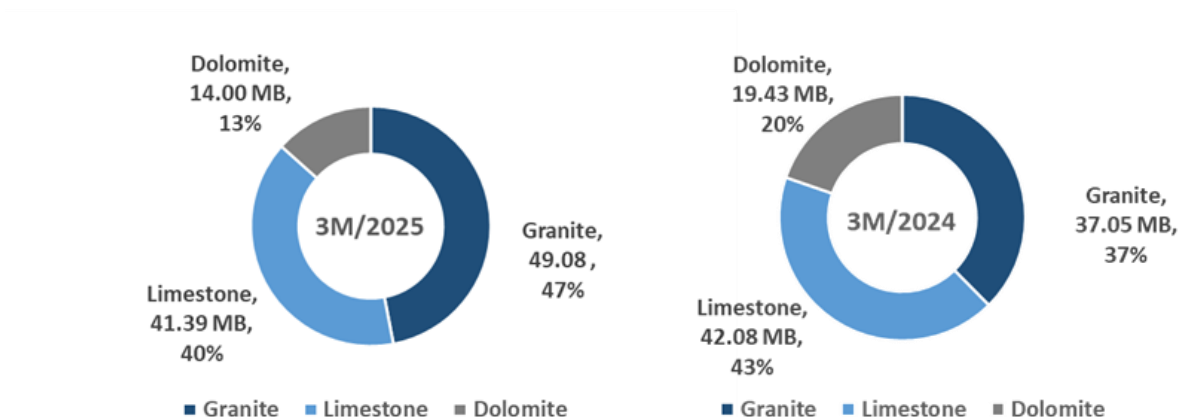
Revenue from core product sales in Q1/2025 amounted to THB 98.19 million, an increase of THB 8.14 million or 9.03% compared to the same period last year. This growth was driven by higher sales of granite products from the Nong Kha quarry, which rose by THB 11.45 million due to increased sales volume during the quarter. Sales of limestone products also increased by THB 2.12 million. However, sales of dolomite products declined by THB 5.43 million compared to the same period last year, mainly because, in Q1/2024, there was an unusually high volume of Dolomite Lump (0–30 mm) sold to a contractor involved in a project, which had boosted sales beyond normal levels. As a result, revenue from Dolomite Lump dropped by THB 4.89 million in this quarter. In addition, revenue from powdered dolomite also declined by THB 0.54 million due to a production halt for machinery maintenance, which reduced the number of production days.

Revenue from services The Company earned THB 3.14 million in transportation service revenue in Q1/2025, a decrease of THB 0.58 million or -15.54% compared to the same period last year. This decline was in line with the decrease in revenue from dolomite powder products, as the majority of the transportation services were provided to customers in the dolomite powder segment.

Revenue from the sales of by-products from granite and limestone in Q1/2025 amounted to THB 6.28 million, a decrease of THB 2.22 million or -26.09% compared to Q1/2024. The decline was mainly due to intensified competition from other mines, which lowered product prices and engaged in various marketing activities, resulting in reduced sales in this product group.

Other income Q1/2025 amounted to THB 2.48 million, down THB 5.16 million or -67.58% from the same period last year. The decline was mainly due to a one-time gain of THB 6.04 million from the sale of unused trailer trucks recognized in Q1/2024.

Proportion of Revenue



In Q1/2025, the revenue proportion from granite, limestone, and dolomite was 47%, 40%, and 13% respectively, compared to Q1/2024, when the proportions were 37%, 43%, and 20% respectively.

Cost of sales and services in Q1/2025 totaled THB 76.94 million, an increase of THB 3.63 million or 4.95% compared to the same period last year, primarily due to higher sales volume of core products, particularly granite and limestone. The cost structure in Q1/2025 showed a shift in the ratio of variable costs to fixed costs to 68.2%: 31.8%, compared to 63.5%: 36.5% for the same period of the previous year. The Company posted a gross profit of THB 24.39 million in Q1/2025, up THB 3.93 million or 19.21% YoY, with a gross profit margin of 24.07%, an increase of 2.25% from Q1/2024. This improvement is attributed to increased sales of certain granite products with high profit per unit, despite a slight decline in unit margins compared to the previous year.

Selling and administrative expenses In Q1/2025 amounted to THB 22.45 million, an increase of THB 0.58 million or 2.65% from the same period last year. In addition, the Company recorded a reversal of expected credit loss (ECL) provisions totaling THB 52.50 million in Q1/2025, following successful debt restructuring negotiations with three trade debtors whose outstanding balances had been overdue for more than 12 months. The total outstanding debt amounted to THB 83.55 million, of which THB 32.36 million, a remaining balance of THB 51.19 million, which was fully collected during the quarter. Furthermore, the Company received repayments totaling THB 1.31 million from two other trade debtors in accordance with their agreed payment plans.

Finance Costs: In Q1/2025, finance costs totaled THB 0.19 million, down THB 0.41 million or -67.81% YoY. The decrease was primarily due to lower debt obligations following scheduled repayments under machinery lease agreements. Additionally, the Company did not utilize any new credit facilities during the quarter, supported by strong liquidity sufficient to fund both operations and ongoing investments.

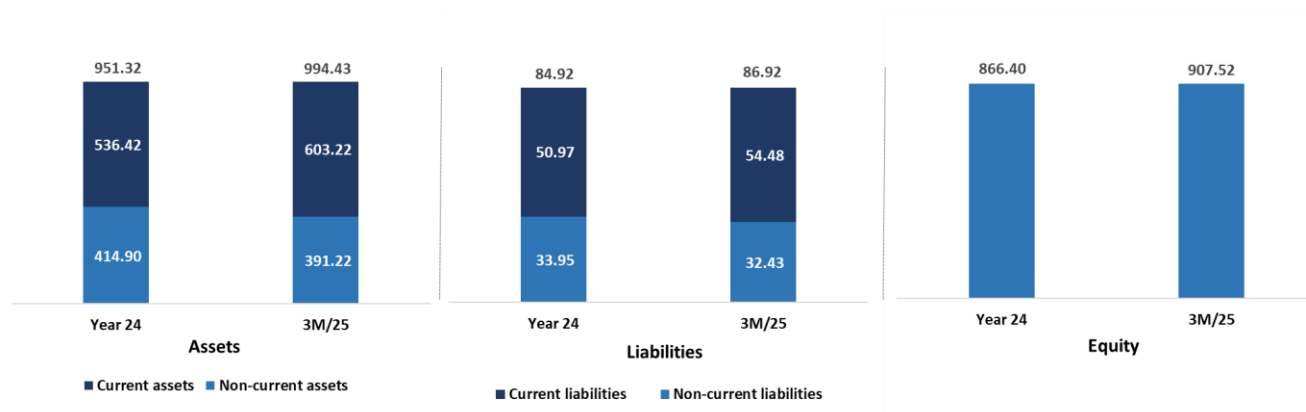
Income Tax Expense: Income tax expense for Q1/2025 was THB 21.88 million, rising by THB 18.97 million or 652.02% from the same period last year. This significant increase resulted from a THB 16.97 million adjustment to deferred tax assets that were no longer considered to be utilized, following the settlement of outstanding trade receivables during the quarter.

As a result of the aforementioned factors, the Company reported a net profit of THB 41.12 million in Q1/2025, an increase of THB 29.92 million or 266.99% from Q1/2024. Earnings before interest, tax, depreciation, and amortization (EBITDA) stood at

THB 75.38 million, up THB 48.30 million or 178.34% from the same period last year. Earnings per share for Q1/2025 were THB 0.13 per share, compared to THB 0.05 per share in Q1/2024, reflecting strong growth and improved returns for shareholders.

Analysis of Statement of Financial Position

Unit: Million Baht



Total Assets

As of March 31, 2025, the Company reported total assets of THB 994.43 million, an increase of THB 43.11 million or 4.53% from December 31, 2024, primarily due to the following factors:

- **Current assets** amounted to THB 603.22 million, an increase of THB 66.80 million or 12.45%, mainly from:
 - Cash and cash equivalents of THB 360.76 million, rising by THB 63.40 million, primarily due to debt repayments totaling THB 52.50 million received from legacy trade debtors as a result of successful debt restructuring negotiations and interim profit during the period.
 - Trade and other receivables – net amounted to THB 55.57 million in Q1/2025, up THB 8.68 million, mainly from a THB 5.32 million increase in trade receivables and a THB 3.36 million increase in prepaid expenses and others. The increase in trade receivables was largely attributed to higher sales of granite during the quarter. Additionally, the expected credit loss (ECL) allowance stood at THB 11.23 million in Q1/2025, down THB 84.86 million from year-end 2024, following debt repayments and partial debt forgiveness as per the restructuring plan mentioned above.
 - Inventories – net stood at THB 130.11 million, a decrease of THB 5.19 million, mainly due to a THB 2.07 million reduction in finished goods inventory and a THB 3.12 million decrease in raw materials, spare parts, and consumables.
- **Non-current assets** amounted to THB 391.22 million, a decrease of THB 23.69 million or -5.71% from the end of 2024, due to the following factors:
 - Restricted deposits at financial institutions decreased by THB 0.33 million.
 - Property, plant, and equipment including right-of-use assets totaled THB 347.76 million, down THB 4.70 million due to depreciation charges during the period.
 - Intangible assets and deferred expenses declined by THB 1.82 million from year-end 2024.

- Deferred tax assets – net stood at THB 2.85 million, a decrease of THB 16.84 million due to the write-down of deferred tax assets that were no longer expected to be utilized, following the settlement of long-outstanding trade receivables during the quarter.

Liabilities and Equity

As of March 31, 2025, the Company had total liabilities of THB 86.92 million, an increase of THB 1.99 million or 2.35% from December 31, 2024. Details of the liabilities are as follows:

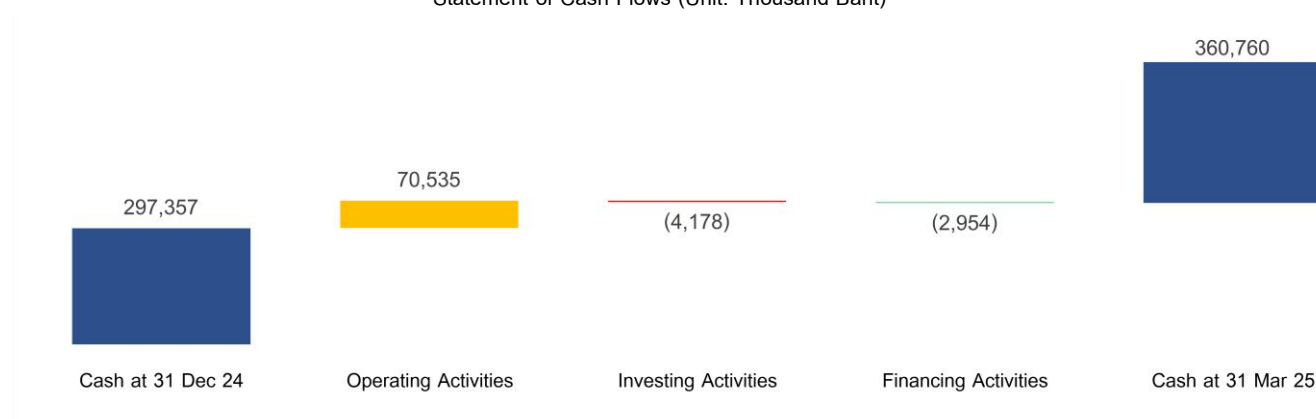
- **Current liabilities** amounted to THB 54.84 million, an increase of THB 3.51 million, primarily due to a THB 4.78 million increase in corporate income tax payable. Meanwhile, trade payables decreased by THB 0.78 million, current portion of lease liabilities declined by THB 0.28 million and other current liabilities dropped by THB 0.20 million.
- **Non-current liabilities** totaled THB 32.43 million, a decrease of THB 1.52 million or -4.48%, mainly due to a THB 2.49 million reduction in lease liabilities based on the repayment schedule. Meanwhile, employee benefit obligations and other non-current provisions increased by THB 0.97 million.

Total equity

As of March 31, 2025, the Company had shareholders' equity of THB 907.52 million, an increase of THB 41.12 million or 4.75% from December 31, 2024. The increase was attributable to higher retained earnings resulting from the net profit generated during Q1/2025.

Analysis of Cash flows

Statement of Cash Flows (Unit: Thousand Baht)



As of March 31, 2025, the Company and its subsidiaries had cash and cash equivalents of THB 360.76 million, an increase of THB 63.40 million from December 31, 2024. The increase in cash during the period was due to the following:

- **Net cash flow from operating activities** amounted to THB 70.53 million, This increase is primarily due to operating performance which contributed an increase of THB 22.11 million in cash, adjusted by the change in operating assets and liabilities during the period in the amount of THB 48.42 million.

- **Net cash used in investing activities** totaled THB 4.18 million, mainly from:
 - Proceeds from restricted deposits at financial institutions of THB 0.33 million
 - Capital expenditures for buildings, machinery, and equipment of THB 4.83 million
 - Proceeds from the disposal of fixed assets of THB 0.05 million
 - Interest income received of THB 0.27 million
- **Net cash used in financing activities** was THB 2.95 million, due to:
 - Lease liability repayments of THB 2.78 million
 - Interest payments of THB 0.18 million

Significant Financial Ratios

