



# **Stone One Public Company Limited**

## **Management Discussion and Analysis**

Quarter 2 Ending 30 June 2025



## **1. Executive Summary**

In Q2/2025, the company reported total revenue of THB 91.62 million, a decrease of THB 20.37 million or -18.19% compared to the same period last year. However, when considering the accumulated total revenue for 6M/2025, it reached THB 201.71 million, showing a more modest decline of only THB 20.19 million, or -9.10%, from the prior year. The decrease in revenue was primarily due to lower income from granite products, especially Bigrock granite. This was caused by delays of construction project, which led to a temporary suspension of purchase orders starting in late May. However, Bigrock's orders began to recover towards the end of July and are expected to contribute to an increase in revenue during the second half of the year. Furthermore, the decline in revenue from 20 mm granite stemmed from a planned reduction in production capacity, as the company shifted its focus to Big Rock production. Consequently, 20 mm granite revenue decreased when compared to the same period last year. In contrast, revenue from limestone products continued to be supported by improved demand, while revenue from dolomite products declined due to the absence of stock clearance marketing activities this year, unlike the previous year. Net profit in Q2/2025 stood at THB 3.76 million, a decrease of THB 10.68 million or -73.96% compared to the same quarter last year. For 6M/2025, the Company recorded a cumulative net profit of THB 44.88 million, an increase of THB 19.24 million or +75.02% YoY. The strong profit growth was mainly attributable to the reversal of expected credit loss allowances, resulting from the successful collection of trade receivables from prior periods. Additionally, in Q2/2025, EBITDA stood at THB 16.53 million, a decrease of THB 14.88 million, or -47.38%, compared to Q2/2024 due to temporary factors. However, for 6M/2025, EBITDA remarkably reached THB 91.91 million, an outstanding increase of THB 33.42 million, or +57.13%, from the same period last year.

The company's accumulated Earnings per Share (EPS) for 6M/2025 was 0.15 Baht, an increase from 0.10 Baht during the same period in the prior year. This reflects the strong and sustained growth in the company's performance for 2025.

## **2. Key Events and Progress on the New Quarry Project**

The Company entered into an agreement to acquire a 100% stake in Boonthavorn Mining Co., Ltd. ("BTV") for a total of 212.79 million Baht. This acquisition grants the Company full ownership of a limestone quarry located in Khao Yoi District, Phetchaburi Province. In the process of purchasing these shares, the Company acquires a group of assets primarily consisting of intangible assets (quarry concession). According to Thai Financial Reporting Standard No. 3 Business Combinations, this transaction is considered an asset acquisition. This is because Boonthavorn Mining Company Limited has not conducted business operations, and need to invest in the construction of buildings, equipment, and machinery for future quarry production.

The acquisition of the new limestone quarry represents a strategic move to enhance raw material security and support rising demand in the construction industry. As part of the development plan, the Company has signed a Turn-key contract with a contractor for the construction and installation of production machinery at the new site. Concurrently, the Company secured long-term financing from a financial institution to fund investments in both the new and existing mines, reflecting a disciplined financial approach aligned with the Company's commitment to long-term, sustainable growth.

### 3. Operation Performance according to Consolidated Financial Statement Q2/2025

Unit: Thousand Baht

Income Statement	Q2/2025	Q2/2024	Increase/(Decrease)		6M/2025	6M/2024	Increase/(Decrease)	
Revenue								
Revenue from sales	81,847	98,870	(17,023)	(17.22%)	183,173	192,638	(9,466)	(4.91%)
Revenue from sales of by-products	6,858	11,420	(4,562)	(39.95%)	13,141	19,921	(6,780)	(34.04%)
Other income	2,917	1,706	1,211	70.99%	5,392	9,341	(3,948)	(42.27%)
<b>Total revenue</b>	<b>91,622</b>	<b>111,997</b>	<b>(20,374)</b>	<b>(18.19%)</b>	<b>201,706</b>	<b>221,900</b>	<b>(20,194)</b>	<b>(9.10%)</b>
Cost & Expenses								
Cost of sales & services	67,392	71,389	(3,997)	(5.60%)	144,332	144,701	(369)	(0.26%)
<b>Gross profit</b>	<b>14,455</b>	<b>27,482</b>	<b>(13,027)</b>	<b>(47.40%)</b>	<b>38,841</b>	<b>47,938</b>	<b>(9,097)</b>	<b>(18.98%)</b>
Selling and administrative expenses	21,344	21,728	(384)	(1.77%)	43,797	43,602	195	0.45%
Expected credit losses (ECL)	(1,303)		(1,303)		(53,803)		(53,803)	
<b>Total costs &amp; expenses</b>	<b>87,433</b>	<b>93,117</b>	<b>(5,683)</b>	<b>(6.10%)</b>	<b>134,325</b>	<b>188,302</b>	<b>(53,977)</b>	<b>(28.67%)</b>
Earnings before interest and taxes	4,189	18,880	(14,691)	(77.81%)	67,381	33,598	33,783	100.55%
Finance cost	287	509	(222)	(43.61%)	481	1,113	(631)	(56.74%)
<b>Profit (loss) before income tax</b>	<b>3,902</b>	<b>18,371</b>	<b>(14,469)</b>	<b>(78.76%)</b>	<b>66,899</b>	<b>32,485</b>	<b>34,415</b>	<b>105.94%</b>
Income tax expenses	142	3,932	(3,791)	(96.40%)	22,019	6,842	15,178	221.84%
<b>Net profit for the period</b>	<b>3,760</b>	<b>14,439</b>	<b>(10,678)</b>	<b>(73.96%)</b>	<b>44,880</b>	<b>25,643</b>	<b>19,237</b>	<b>75.02%</b>
<b>Total comprehensive income</b>	<b>3,255</b>	<b>14,439</b>	<b>(11,183)</b>	<b>(77.46%)</b>	<b>44,375</b>	<b>25,643</b>	<b>18,372</b>	<b>73.05%</b>
<b>EBITDA</b>	<b>16,528</b>	<b>31,411</b>	<b>(14,882)</b>	<b>(47.38%)</b>	<b>91,907</b>	<b>58,493</b>	<b>33,415</b>	<b>57.13%</b>

The Company reported total revenue of THB 91.62 million for Q2/2025, representing a decrease of THB 20.37 million or -18.19%. For 6M/2025, cumulative revenue stood at THB 201.71 million, down THB 20.19 million or -9.10% compared to the same period last year. The decline was primarily due to a reduction in revenue from sales and services both of which decreased on a quarterly and year-to-date basis due to the following reasons:

**Revenue from core product sales** in Q2/2025 amounted to THB 79.11 million, a decrease of THB 16.20 million or -16.99%. The decline was primarily due to a THB 15.56 million drop in granite product revenue, a THB 1.65 million increase in limestone product revenue and a THB 2.28 million decrease in dolomite product revenue. The significant decline in granite revenue was due to the Company's production plan for the first half of 2025, which prioritized Bigrock granite in alignment with a major customer's purchase schedule. As a result, the production of 20 mm granite was reduced accordingly. However, a temporary slowdown in orders for the Bigrock project in the middle of Q2/2025 meant that overall granite sales did not meet the company's targets. Further, the decrease in dolomite revenue was because in the prior year, the company had a promotion campaign to clear out old stock of 0-30 mm Dolomite Lump. This included a large-volume order from a project contractor, which resulted in sales that were higher than normal levels for that year.

For the 6M/2025 period, the company's total revenue was THB 177.30 million, reflecting a minor decrease of THB 8.06 million, or -4.35%, compared to the same period in the prior year. This modest decline was primarily driven by a THB 4.13 million decrease in sales from the granite product group, a THB 3.78 million increase in the limestone group, benefiting from recovering

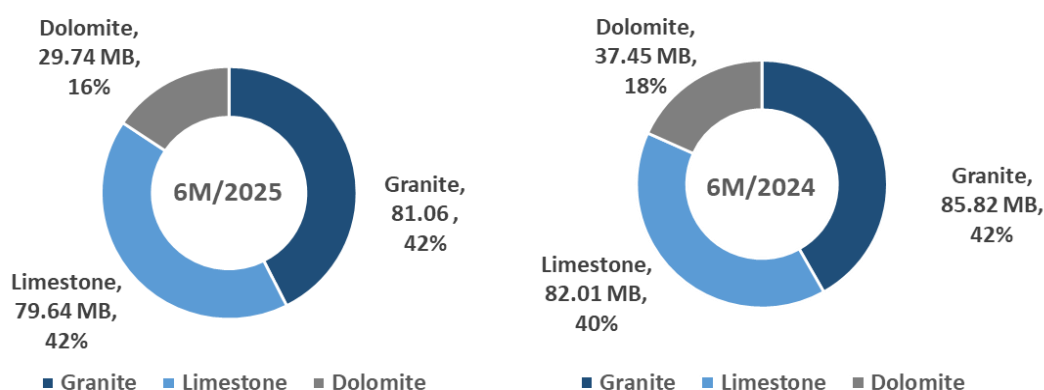
demand, and a THB 7.71 million decrease in the dolomite product group. This decline was due the absence of bulk sales from the clearance of 0–30 mm dolomite lump in the first half of 2024, as previously mentioned.

**Revenue from services** The company earned THB 2.74 million in transportation service revenue in Q2/2025, a decrease of THB 0.83 million or -23.19% compared to the same period last year. For 6M/2025, total services revenue was THB 5.88 million, a decrease of THB 1.40 million or -19.29%. 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 Q2/2025 amounted to THB 6.86 million, a decrease of THB 4.56 million or -39.95% compared to the same period last year. For 6M/2025, by-products revenue stood at THB 13.14 million, a decrease of THB 6.78 million or -34.04%. The decline was primarily due to intensified market competition, price reductions, which contributed to a drop in sales volume for this product segment.

**Other income** in Q2/2025 amounted to THB 2.92 million, representing an increase of THB 1.21 million. This significant increase was primarily driven by the recognition of a gain on the disposal of fixed assets amounting to THB 0.80 million, along with an increase in interest income of THB 0.37 million. However, for 6M/2025 period, other incomes stood at THB 5.39 million, a decrease of THB 3.95 million compared to the same period last year. This was primarily due to the recognition of a one-time gain in Q1/2024 from the sale of 10 unused trailer trucks (20 license plates) following the Company's strategic shift toward outsourcing transportation services.

Proportion of Revenue



**Cost of sales and services** in Q2/2025 totaled THB 67.39 million, a decrease of THB 4.00 million or -5.60% and for 6M/2025 period stood at THB 144.33 million, a slight decrease of THB 0.37 million or -0.26% YoY. While cost of sales decreased along with sales, the reduction was smaller because certain cost components increased, such as higher contractor fees for quarry development at Chom Bueng, repair and maintenance cost increase and a rise in the cost of fuel and explosives. Furthermore, a decrease in the production volume of 20 mm granite at the Nong Kha quarry led to a higher cost per unit. The overall cost structure for the 6M/2025 period comprised 65.3% variable costs and 34.7% fixed costs, compared to 64.2% and 35.8%, respectively, during the same period last year.



**Selling and administrative expenses** in Q2/2025 amounted to THB 21.34 million, a decrease of THB 0.38 million or -1.77%, mainly due to IPO-related expenses incurred in Q2/2024. For 6M/2025, cumulative SG&A expenses totaled THB 43.80 million, remaining relatively flat compared to the same period last year, with a slight increase of THB 0.19 million or +0.45%. In addition, the Company recorded a reversal of expected credit loss allowances totaling Baht 53.80 million for 6M/2025, due to the receipt of payments from certain trade receivables that had a full allowance for expected credit losses.

**Finance Costs:** In Q2/2025, finance costs totaled THB 0.29 million, down THB 0.22 million or -43.61%. For 6M/2025, finance costs stood at THB 0.48 million, a decrease of THB 0.63 million or -56.74% compared to the same period last year. The reduction was primarily due to lower debt obligations following scheduled repayments under lease agreements.

**Income Tax Expense:** The accumulated income tax expense for 6M/ 2025 stood at THB 22.02 million, an increase of THB 15.18 million. The increase was primarily due to the write-off of deferred tax assets resulting from the write-off of trade receivables that had been fully provisioned for expected credit losses.

As a result of the aforementioned factors, the company reported a net profit of THB 3.76 million in Q2/2025, a decrease of THB 10.68 million, or -73.96%. For 6M/2025 net profit stood at THB 44.88 million, an increase of THB 19.24 million, or +75.02%, compared to the same period last year. EBITDA for Q2/2025 stood at THB 16.53 million, a decrease of THB 14.88 million, or -47.38% and for 6M/2025 it reached THB 91.91 million, an increase of THB 33.42 million, or +57.13%. Earnings per share (EPS) for Q2/2025 and 6M/2025 were THB 0.01 per share and THB 0.15 per share, respectively. EPS for 6M/2025 period increased by THB 0.05 per share, or 46.12%, compared to the same period last year. This reflects the Company's continued strength in delivering improved returns to shareholders year over year.

#### 4. Analysis of Statement of Financial Position

Unit: Million Baht



#### Total Assets

As of June 30, 2025, the company reported total assets of THB 973.67 million, an increase of THB 22.35 million, or 2.35%, from December 31, 2024, primarily due to the following factors:

**Current assets** amounted to THB 351.21 million, a decrease of THB 185.21 million, or -34.53%, mainly from:

- Cash and cash equivalents of THB 118.08 million, a decrease of THB 179.27 million. This was primarily due to cash utilized for the investment in the new quarry project in Phetchaburi Province.

- Trade and other receivables - net amounted to THB 39.32 million, a decrease of THB 7.58 million or 16.16%, primarily due to a THB 10.06 million reduction in trade receivables from the granite group, in line with lower sales. In contrast, prepaid expenses and other receivables increased by THB 2.48 million.

**Non-current assets** amounted to THB 622.47 million, an increase of THB 207.56 million or +50.03% from the end of 2024, due to the following factors:

- Intangible assets – net amounted to THB 225.31 million, an increase of THB 215.61 million, primarily due to the recognition of the fair value of intangible assets (quarry concession) arising from the acquisition of an asset group through the share purchase of Boonthavorn Mining Co., Ltd.
- Right-of-use assets reached a total of THB 39.55 million, increased by THB 17.59 million. This was primarily due to the renewal of the lease for the company's office building for three years and the lease of a wheel loader for the Chom Bueng quarry.
- Property, Plant, and Equipment (PPE) amounted to THB 323.89 million, down by THB 6.61 million, primarily as a result of depreciation expense.
- Deferred tax assets – net stood at THB 1.92 million, a decrease of THB 17.77 million due to the write-off of deferred tax assets resulting from the write-off of trade receivables that had been fully provisioned for expected credit losses.

#### Liabilities and Equity

As of June 30, 2025, the Company had total liabilities of THB 93.60 million, an increase of THB 8.68 million, or +10.22% from December 31, 2024. Details of change in the liabilities are as follows:

**Current liabilities** amounted to THB 48.60 million, a decrease of THB 2.37 million, primarily due to

- Current portion of lease liabilities increased by THB 5.62 million
- Trade payables decreased by THB 3.39 million
- Corporate income tax payable decreased by THB 3.81 million due to the payment of 2024 income tax (PND.50)
- Other current provisions and Other current liabilities dropped by THB 0.79 million.

**Non-current liabilities** totaled THB 45.01 million, an increase of THB 11.05 million, or +32.55%. The primary reason for

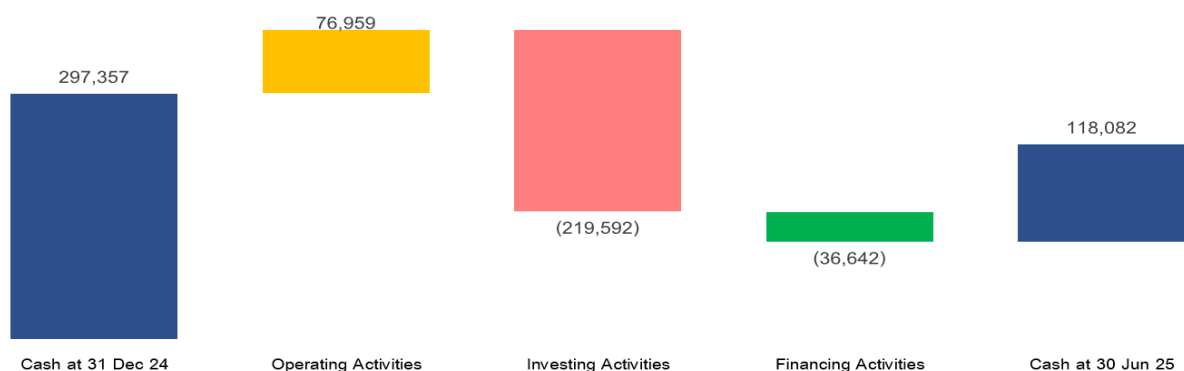
- Lease liabilities –net increased by THB 10.95 million due to the renewal of the office lease for an additional three years and the lease agreement for a wheel loader used in the Ratchaburi quarry operations.
- Other non-current payables increased by THB 3.18 million due to the obligation for the mining concession fees of the new mine, which will be settled in installments in the future
- Employee benefit obligations decreased by THB 3.15 million due to retirement payments to employees.

#### Total Equity

As of June 30, 2025, the company had shareholders' equity of THB 880.07 million, an increase of THB 13.67 million, or +1.58% from December 31, 2024. Retained earnings increased by THB 44.37 million in net profit, offset by a THB 30.70 million dividend payment in Q2 2025.

## 5. Analysis of Cash flows

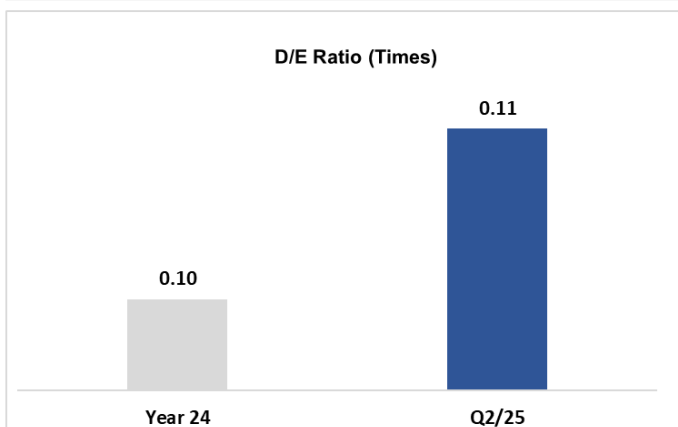
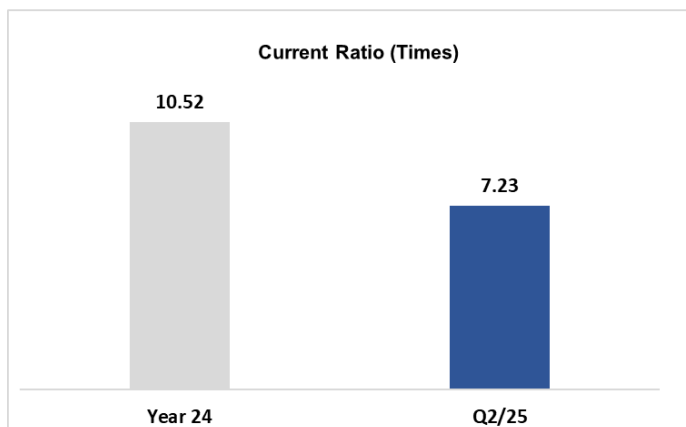
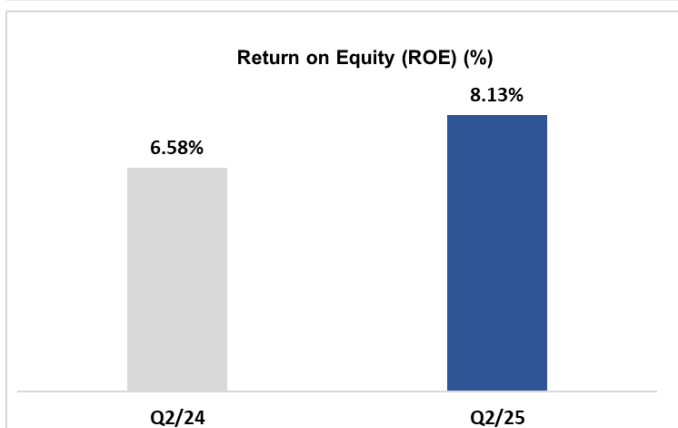
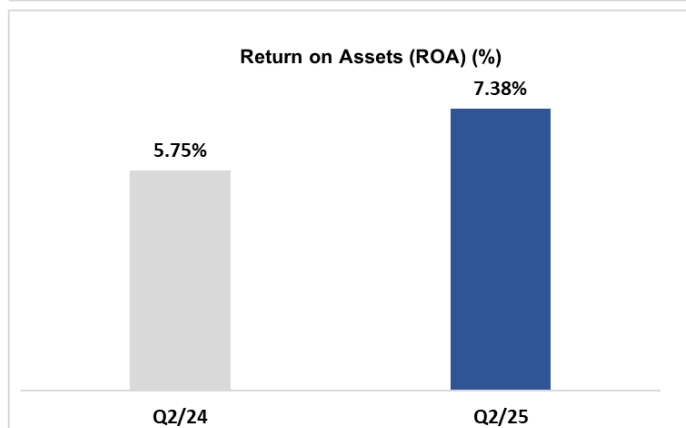
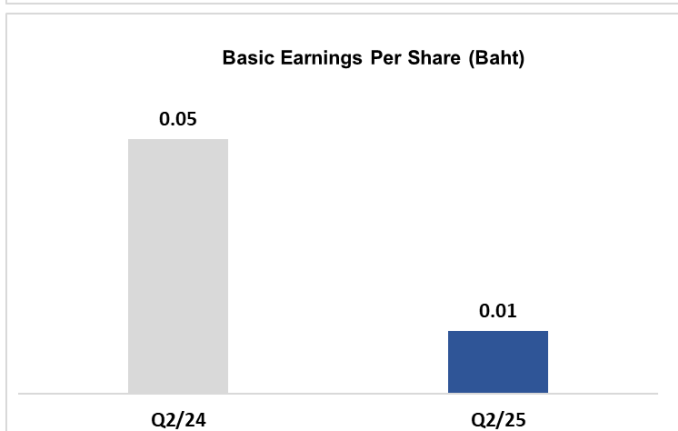
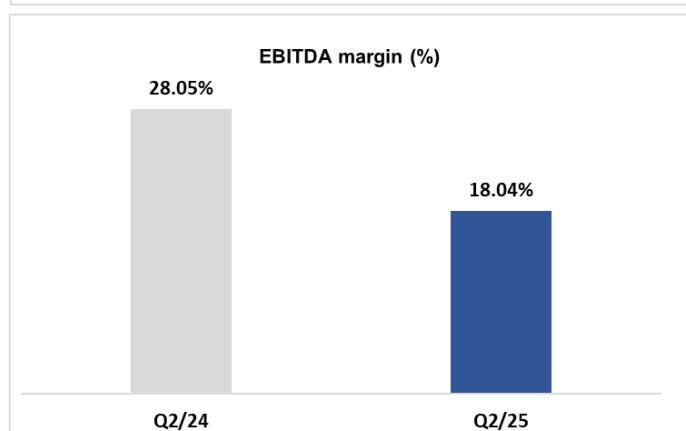
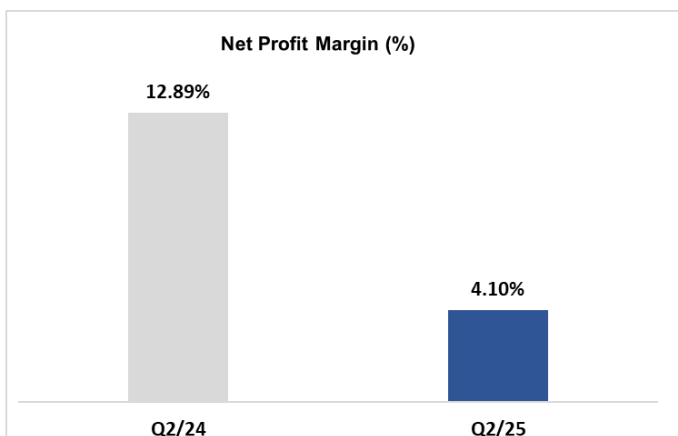
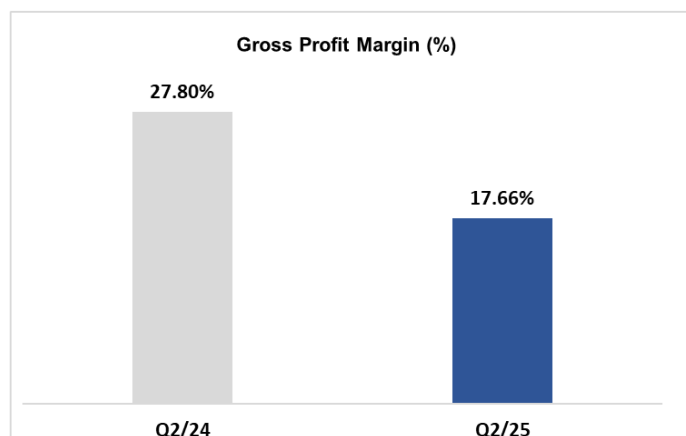
Statement of Cash Flows (Unit: Thousand Baht)



As of June 30, 2025, the company and its subsidiaries had cash and cash equivalents of THB 118.08 million, a decrease of THB 179.27 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 76.96 million  
The operating result of 6M period of 2025 improved cash position THB 36.18 million, adjusted by the change in operating assets and liabilities and income tax of THB 40.78 million.
- **Net cash used in investing activities** totaled THB 219.59 million, mainly from payment for acquiring ordinary shares of Boonthavorn Mining Co., Ltd., which holds a quarry concession, for THB 212.79 million.
- **Net cash used in financing activities** was THB 36.64 million, due to payment for lease liabilities and interest paid totaled THB 5.94 million and payment for dividends in Q2/2025 of THB 30.70 million.

## 6. Significant Financial Ratios





## 7. Sustainability Development

the company recognizes the importance of ESG (Environmental, Social, and Governance) sustainability across all dimensions of its business operations. These include:

### Governance and Economic Dimension

The Company is committed to being an industrial stone producer that delivers sustainable, long-term returns. This is achieved by utilizing IoT technology in our production process, implementing AutoCAD for production planning, efficiently managing costs, and minimizing resource loss to maximize their utilization.

### Environment Dimension

The Company is dedicated to creating value for the organization and its stakeholders while simultaneously focusing on environmental management and efficient resource utilization. This is achieved by reforestation to reduce greenhouse gas emissions, Implementing route-planning technology for transportation to lower energy consumption, Water spraying in and around the quarry to mitigate dust pollution, Using tarpaulin covers on trucks and covering crushing plants and conveyor belts to control dust.

### Social Dimension

The Company is committed to being a leader in the production and distribution of stone products. Our production processes are designed to ensure zero illness and zero accidents for all personnel. The company and its subsidiaries recognize the importance of their impact on the local communities and society surrounding our business locations, and we are dedicated to addressing these impacts as part of our commitment. This is achieved by Whistleblowing and Anti-Corruption Policy, Equal Opportunity Employment, Community Employment and Career Building, Community Health and Development

### Q2 2025 CSR Activities update

- The School Support Project at Ban Huai Kum School conducted CPR training to equip participants with life-saving skills.
- We provided financial support for the Songkran checkpoint stations in both Chom Bueng Sub-district and Rang Bua Sub-district Administrative Organizations.

