



2024 ANNUAL REPORT

รายงานประจำปี 2567

แบบ 56-1 ONE REPORT

บริษัท 2 เอส เมทัล จำกัด (มหาชน)
2S Metal public company limited

Index

| | |
|------------------------------------|---|
| Message from the Board of Director | 1 |
|------------------------------------|---|

Part 1 Business and Operational Results

| | |
|--|----|
| Business Overview | 3 |
| Risk Management and risk factors | 10 |
| Driving Business for Sustainability | 13 |
| Management's Discussions and Analysis (MD&A) | 26 |
| Company's Securities and Dividend payment policy | 36 |
| General Information | 38 |

Part 2 Management and Corporate Governance

| | |
|----------------------------------|----|
| Corporate Governance | 40 |
| Management Structure | 46 |
| Corporate Governance Performance | 55 |
| Internal Control | 64 |
| Related Transaction | 65 |

Part 3 Financial Statement

| | |
|------------------------------------|----|
| Independent Auditor's Report | 70 |
| Statement of Financial Position | 75 |
| Notes to the Financial Information | 82 |

Attachment 126

| | |
|--------------|--|
| Attachment 1 | Details of the Board of Director, Management, Controller, corporate Secretary and Accountant |
| Attachment 2 | Details of the Controlling Parties of its Subsidiaries |
| Attachment 3 | Details of the Head of Internal Audit division |
| Attachment 4 | Assets Used in Business Operation |

Messages from the Board of Director

The Steel industry in 2024 was affected by the sluggish economy and slowing Mega project of government spending. The steel market to be pressured with many factors 1) the contraction in steel consumption and decline of purchasing power in the real estate sector. 2) China's steel export was gained to larger share of Thai market which put downward on steel prices. Thai enterprises has affected in terms of both unable to make price spread and risk of losses in the Net Realized Value of inventory.

Year 2025, extra monitoring on the impact of steel import tariff policy of USA. those unavoidable effects to Thailand. Pressured of the domestic and global economic slowdown, Trade War between USA and China which may cause try to export steel to Thailand more. Herewith, we expect that the Ministry of Commerce will issue stricter measures to prevent steel imports. However, the company has to cautious intensively its investment, cash flow, inventory management and costs to accommodate possible economic volatility.

In 2024, the Company's sales revenue increased by 9.92% as the increasing of quantity of sales 20.91% while the average selling price decreased by 9.09%. Cause of the impact of steel prices as mentioned above, the Company has to reserving the allowance of Net Realizable Value much which resulting the Company's net profit was decrease from the previous year.

In addition to monitoring the fluctuation of steel prices, the company has improved its logistics system to provide fast and timely transportation. It has sought out partners to increase distribution points, making each transportation trip worthwhile and creating customer satisfaction and develop communication channels with customers 2sonline.net to know product information in real time and conveniently find the desired product and order, including payment.

In terms of using valuable resources, further solar roof at Songkhla factory and Korat factory which can produce a combined electricity of approximately 3.5 GWh per year also the subsidiary has changed the electrical lights in the production building to 200-watt LED High Bay.

On behalf of the Board of Directors, executives, and all employees, we express our gratitude to our shareholders, co-workers, customers, partners and communities, as well as all stakeholders for their excellent support to the Group throughout. We promised that the company will continue to strive to develop the organization to grow steadily and sustainably

Mr. Sombat Leeswadtrakul
Chief Executive Officer

Vision & Mission

2S determined to be a leading steel business operator that can completely meet the needs of customers with variety of standard products, fast services and facilitate to achieve maximum customer satisfaction according to the Vision "A Reliable Steel Supplier"

Furthermore, production policy of the Company in set to perform at the highest capability and providing services efficiently. Running with awareness of the environment and stakeholders to control cost of production. The Company controls cost of operation to the competitive with maintaining to the quality of products and performing machinery maintenance regularly. This will lead to the cost advantage and increase the sustainable competitiveness.

Vision : "The steel producer and distributor as a One-Stop Service Center to building of the satisfaction of customer, colleague and stakeholders"

Mission :

1. To produce and procure a diversified and complete suite of steel products for the customers
2. To develop effective logistics system to serve customers more conveniently, quickly and cost-effectively through cooperation with business partners
3. To develop and encourage personnel to uphold morality, have high performance and be happy in the organization.

Background

2S Metal Public Company was established in 1992 under the name of Southern Steel Company Limited with an initial registered capital of Bt. 50 million to engage in production and distribution of steel products and trading of steel products as C-Channel, Pipe, Metal sheet and Wire mesh. The head office and plant are located in Songkhla a center of economic in the Southern region, also export to Malaysia neighboring countries as well.

In 1996, the Company started procurement for distribution business which are of the type cannot be produced by the Company such products as galvanized steel pipe, angle bar, H-beam, I-beam, channel, checkered plate, rolled steel, reinforcing bar, etc., to the better fulfill customers' demand. Until 2006, the Company increase its registered capital to Bt. 85 million for invest in Neastern Steel Co., Ltd. ("NES") with 99.99% shareholding. Which engages in the same type of business as the Company. The plant is located in Nakhon Ratchasima Province. The objective is to expand manufacturing base and also customer base to the northeastern region.

As the business ongoing expansion, the Company became a Public Company in 2008 and also increased its registered capital to Bt. 200 million by issuing common stocks offering to the public with the total of 60 million shares then became a listed company in the Market of Alternative Investment (MAI) of the Stock Exchange of Thailand on August 2009 and started its first trading day on 2 September 2009 before changed name from "Southern Steel" to "2S Metal Public Company Limited" in 2010.

With meaning to develop the business for serve convenient and economical to deliver the product more than production and trading the steel products. The Company set up Mega Trans and Logis Co., Ltd. on May of 2013 for handle the transportation each branch. At present, the registered share and paid-up was Bt. 30,000,000

Year 2015, the Company expand to overseas business by starting from neighboring countries prior. Therefore, the Company invested to "Grand Steel Pipe Co., Ltd." which is registered under the Law of Lao PDR. with 90% shareholding before increased holding to 97.11% of registered share in year 2017.

Year 2021, the Company moved to be the listed in SET with paid-up capital of Bt. 549,995,954 at par value Bt. 1 per share. These make the Company available for Institutional investors and business stability

Nature of Operation

2S is a big producer of formed steel in Southern region. Comprehensive production, distribution and transportation. The Company not only focuses on the variety of products and services but also has a mission to develop an efficient logistics system to meet the customer impressively.

At present, the Company have suitable location of warehouse in different areas of the country, which is the potential for convenient transportation and cost savings in receiving and delivering goods in each region. Summary of operation of the Company and subsidiaries are follows;

1. **2S Metal Public Company Limited** the head office and plant are located in Bangklam District, Songkhla Province with the combined production capacity of all type of products of approximately 100,680 tons a year (excluding slitting coil).
2. **Neastern Steel Co., Ltd.** เป็นธุรกิจรับ the original equipment manufacturer (OEM) ofr the Company since 2010. Its head office and the plant located in Chaloen Phrakiat district, Nakhonratchasima Province with the combined production capacity of all types of products of approximately 154,520 tons a year (excluding slitting coil)
3. **Mega Trans and Logis Co., Ltd.** handling the transportation for the Company of those 4 zones each branch.

Grand Steel Pipe Co., Ltd. (GSP) its producer of steel products and trading of steel, its head office and the plant located in Xiengkhouan Village, Hadsayfong district, Vientiane Capital, Lao PDR. combined production capacity of all type of products of approximately 39,800 tons a year.

Shareholding Structure



Products and Service

The Company's business operations can be classified into manufacture and distribution of steel products and trading of steel products as followings;

➤ Formed Steel Products

| Products | Size* | Raw Material | Applying for work |
|---|---|-----------------|--|
| Steel Pipe Round, square, rectangular | ≤ 4.0 inch thick 0.7-3.2 mm. length 5.0-7.0 M. | HRC, GI, MAZ | Construction, furniture and automobile, water pipe, electric wire pipe, etc., |
| Steel Sheet | thick 1.2-9.0 mm. width ≤ 5 ft. length ≤ 20 inch | HRC | Use for variety of industries, Constructor, floor slab, partition, ship structure, etc. |
| C-Channel Steel | size 2.5-6.0 inch thick 1.0-3.2 mm. length ≤ 7.0 M. | HRC, GI, MAZ | Suitable for ceiling and roof structure that not heavy weight, roof, supporting pole, etc. |
| C-Line | thick 0.31-0.40 mm. length 4.0 M. | | Use for ceiling structure |
| Steel Purlin | thick 0.50-0.65 mm. length 6.0 M. | GI | Suitable for ceiling and roof structure-load bearing section |
| Wire mesh and different types of wire | size 3.0 - 8.0 mm. width ≤ 3.5 M. length ≤ 7.0 M. | WR | Reinforce concrete to prevent contraction road surfacing work |
| Crimped / Chain link mest | size 2.5-3.2 mm. width ≤ 2.0 m. length ≤ 10 m. | WRG | Railing, blocking perimeters or cages |

HRC = Hot Rolled Coil

GI = Galvanized Steel

MAZ = Zinc-Aluminum Magnesium Coated Steel Coil

* Details of each products size on www.ss.co.th

** Included its subsidiaries' capacity

WR = Wire Rod

WRG = Galvanized

➤ Other Formed Steel Products

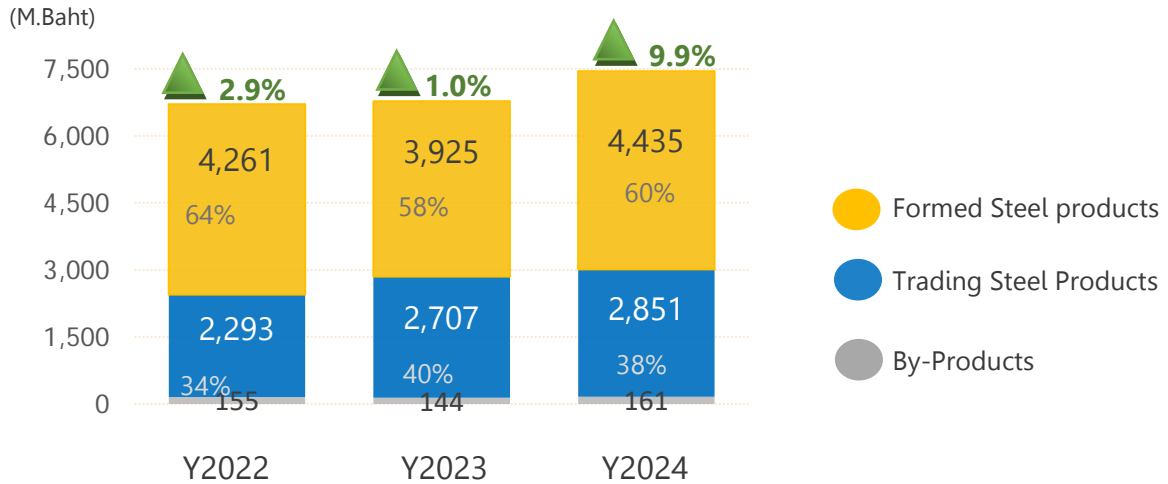
Furthermore above products, there are new products such as C Stud, C- line, galvanized Purlin, Stirrup which are suitable for make ceiling and roof structural. GI products will be preventing rust and no need to repaint.

➤ Trading of Steel Products

The Company also procure and then distribute other types of steel products. These include galvanized steel pipe, equal angle, H beam, I beam, channel steel, checkered plate, HRC, cold round bar, etc. or steel pipe, light lip channel and wire mesh, which are of the sizes cannot be produced by the Company. This could match up to various needs of the customers who are steel wholesalers, and customers in construction and furniture industries, thereby the products are used as structures of buildings, residences, factories or bridges

Revenue Structure

Revenue structure classified by type of products for 3 years are as follows



หมายเหตุ: 1 ผลิตภัณฑ์พลอยได้ หมายถึง เหล็กเกรดบีและซีซึ่งเป็นเหล็กที่มีตำหนิหรือมีขนาดความยาวที่ไม่ตรงกับมาตรฐาน

Marketing and Competition

The Steel industry in 2024 was affected by the sluggish economy and slowing Mega project of government spending. The steel market to be pressured with many factors 1) the contraction in steel consumption and decline of purchasing power in the real estate sector. 2) China's steel export was gained to larger share of Thai market which put downward on steel prices. Thai enterprises has affected in terms of both unable to make price spread and risk of losses in the Net Realized Value of inventory.

Year 2025, extra monitoring on the impact of steel import tariff policy of USA. those unavoidable affects to Thailand. Pressured of the domestic and global economic slowdown, Trade War between USA and China which may cause try to export steel to Thailand more. Herewith we expect that the Ministry of Commerce will issued stricter measures to prevent steel imports.

➤ Characteristics of Customers and target customers

Presently, the business has an important target group which is small to medium steel shops. Most of which are located in the Northeast and the South. The company aims to expand its customer base to cover more diverse areas to reduce the risk of relying on a small group of customers. The company's target customers can be classified into 3 main groups as follows:

| Reseller Customers | Industrial Customers | Other Customers |
|---|--|--|
| Steel shops, general construction material shops, and modern trade group that purchases the company's products to distribute to other smaller stores or resale them to individual users, etc. | Factory group that purchases the company's products to process and produce into other products such as components for trailers, tricycles, and various agricultural equipment. | Construction customers and general retail customers who buy products through dealers for direct use, such as construction or renovation of residences. |

➤ Competitive Strategy

1. High Quality and Variety of Product

The company's ultimate goal is to be a supplier of quality steel and be trusted by customers. Therefore, the company develops and controls the production process to meet the standards of the Thai Industrial Standards Institute (TISI) and Made in Thailand (MiT). The company also provides services to source for steel products to sell with a variety of product types, sizes, thicknesses, or lengths, covering more than 5,000 items of steel products and more than 400 items of non-steel products for customers to buy according to their needs.

The list of raw materials and products that the company produces and procures for sale are all licensed to display with Thai Industrial Standards (TIS) certification. The company will issue product quality certificates to customers every time a standard product is sold. Thus, customers can trust and be confident that every product sold by the company has been certified by a nationally reliable organization.

2. Available and Quickly delivered products

The company has a flexible production plan and is prepared to adjust according to the demand for the products in each period. Because the business foresees that the availability of ready-to-deliver products is another important factor besides the quality and variety of products in consideration of customer purchases. Therefore, the company's production policy focuses on Made-to-Stock production. The relevant team will forecast demand for products and manage raw materials and production plans to secure sufficient inventory so when customers order, there are products ready for sale to respond to customer needs immediately.

In addition, the company also provides logistics services through its subsidiary, Mega Trans & Logis Co., Ltd., which is ready to deliver goods to the destination specified by the customers from the company's four warehouses located in key regions of the country, namely Songkhla, Surat Thani, Nakhonratchasima, and Bangkok. Therefore, the company can deliver goods to each branch quickly according to the needs of customers in no more than three days which is a competitive advantage for the company.

3. Highest customer satisfaction service

The company has set its vision and mission that it is committed to developing products and services for the highest customer satisfaction. Nowadays, there are many manufacturers and distributors of steel products. Therefore, the company pays attention to good service providing and customer understanding. The characteristics of customers and target customers are clearly divided to provide services appropriately. The purpose is to retain customers in a long run. It is another way to make the company different and increase competitiveness.

The company pays attention to details in the selection of qualified personnel. It is required of them to possess the ability to interact with customers, learn about customers and improve services for each customer group, and be ready to give advice and help solve problems that customers experience. In addition, the company also provides communication channels that help customers access products and services more easily and get quick replies whether by mobile phone or online, such as websites, emails, and social media. As customer service is never-ending, the company constantly improves its services and holds weekly customer service meetings to provide employees the opportunity to evaluate their own performance for further improvement. This is all for the company to gain customer trust and eventually increase brand loyalty.

4. 24-hour online service system

In addition to distribution channels for both wholesale and retail stores of over 1,000 locations nationwide, the company has been trying to adapt to the world where the internet plays a very important role in our daily lives by developing an online system for customers to access products and services more easily and quickly. The system is divided into DConnect system for business partners and 2sonline.net system for general customers which facilitates both groups of customers to choose to view and purchase various products via online channels, check delivery status, and receive useful information about the company's products. This online system is available 24/7 every day.

In summary, the company will focus on the quality and variety of products, and provide good services to customers to create a competitive advantage rather than using a competitive pricing strategy to align with the slogan "Diversity, speed, honesty, sincerity". The company has the policy to price reasonably, using the demand and supply rule for the market situation at that time and forecasted demand and supply in the future to price appropriately to the market situation and remain competitive in the market.

List of Industrial Product Standards (Mor.Aor.Kor.)



Mandatory Standards

1. **Mor.Aor.Kor. 528-2560** (Quality level : HR1) Hotrolled flat steel of commercial and drawing quality.
2. **Mor.Aor.Kor. 1479-2558** (Quality level : SS400) Hot-rolled flat steel for general structure
3. **Mor.Aor.Kor. 1227-2558** Hot- rolled flat structural steel sections
4. **Mor.Aor.Kor. 1228-2561** Cold forming structure steel section for general structure
5. **Mor.Aor.Kor. 20-2559** steel bar for reinforced concrete : round bars
6. **Mor.Aor.Kor. 24-2559** steel bar for reinforced concrete : deformed bars
7. **Mor.Aor.Kor. 95-2540** wires for pre-stressed concrete
8. **Mor.Aor.Kor. 348-2559** low carbon steel wire rods



General Standards

1. **Mor.Aor.Kor. 107-2566** Carbon steel tubes for general structure
2. **Mor.Aor.Kor. 2817-2562** Cold forming structure dip steel for general structure
3. **Mor.Aor.Kor. 747-2564** Cold-drawn steel wire for concrete reinforcement
4. **Mor.Aor.Kor. 943-2564** Cold-drawn deformed steel wire for concrete reinforcement
5. **Mor.Aor.Kor. 737-2549** Welded fabric steel for the reinforce of concrete
6. **Mor.Aor.Kor. 194-2535** Ordinary low carbon steel wires
7. **Mor.Aor.Kor. 71-2532** Galvanized wire
8. **Mor.Aor.Kor. 368-2562** Industrial protective Helmet

Production and Sources of Supply

At present, the Company and its subsidiaries have the total capacities 335,000 tons/ year and several warehouses for storing finished goods and raw material (HRC) which are suitable locations covering the country for the efficient transportations.

❖ Warehouse

At present, the Company and its subsidiaries have Plant and warehouse in total at 7 areas with 17 Plants and building are following;

- a) Factory and Warehouse – Bangklum District, Songkhla province, 3 buildings.
- b) Factory and Warehouse – Chalermprakiet District, Nakornratchasima, 6 buildings.
- c) Warehouse and Distribution - Suratthanee province, 2 buildings.
- d) Warehouse and Distribution – Bhudhamonthon 3, Bangkok, 2 buildings.
- e) Warehouse and Distribution – Prapadeang District, Samuthprakarn province, 1 buildings.
- f) Factory and Warehouse – Vientiane Capital, Lao PDR, 2 buildings.
- g) Warehouse and Distribution – Mueng District, Nongkhie province, 1 buildings.

❖ Raw Materials

Main of raw materials used in production are divided into 2 groups;

1. Hot rolled steel and galvanized rolled steel for the production of C-channel steel pipes and cut-to-size steel sheet
2. Wire rod for the production of wire mesh sieve

Above raw material purchase from both domestic and foreign steel manufacturers and distributors, according to steel price has been high fluctuation, there need to considering on short time of delivery besides the quality and pricing of product

According to the raw material purchasing policy for production by 15-30 days. These can reduce the price fluctuates and quantity is enough for delivery to customers. The Company separate order raw material with subsidiaries which Grand Steel Pipe Co., Ltd. is in Lao PDR. which better location to receive raw material faster as transportation development. Hensch, the Company manage stocking inventory efficiently.

❖ **Production and Capacities**

Manufacturing policy of the Company and the Subsidiary focus make to order production more inventory for distribution (Make to Stock) which Production division, Sales division and Marketing for good value on production and able to deliver products in time.

Year 2024, the Company' s average capacity utilization rate of all types of machinery at 76.57% increasing more 30% from previous year.

Neastern Steel Company Limited (subsidiaries) had 48.88% of capacities increased as the quantity of Sales

Grand Steel Pipe Co. , Ltd. (GSP) used actual production capacity increased by 24.11% increased from 2023 as new machine to support increasing order.

The capacity calculated by the average of weight from all type of product, the actual production line depends on the product size and weight according to the order mainly which may less weigh than the machine capacity.

On hand

As of 31 December 2024, there was no work that has not been delivered.

Investment Promotion Privileges

2S Metal Public Company Limited)

Investment Promotion card number 66-0427-1-04-1-0 on March 27, 2023, according to the Investment Promotion Act B. E. 2520, Sections 25, 26, 28, 31, and 34, received benefits from corporate income tax exemption of the net profit received from the promoted business for 50 percent of the investment to improve efficiency with value not exceeding 5,875,000 baht. The amount excluded the cost of land and working capital with a 3-year limit and conditioned to apply for parallel circuit permission to the Electricity Generating Authority of Thailand (EGAT) from the day of receiving investment promotion and the day of earning income from 1 April 2023 to 31 March 2026.

Neastern Steel Co., Ltd. (subsidiary)

Investment Promotion card number 66-0666-1-04-1-0 on May 19 2023, according to the Investment Promotion Act B. E. 2520, Sections 25, 26, 28, 31, and 34, received benefits from corporate income tax exemption of the net profit received from the promoted business for 50 percent of the investment to improve efficiency with value not exceeding 11,750,000 baht. The amount excluded the cost of land and working capital with a 3-year limit and conditioned to apply for parallel circuit permission to the Electricity Generating Authority of Thailand (EGAT) from the day of receiving investment promotion and the day of earning income from 1 June 2023 to 18 May 2026.

Risk Management Policy

The Board of Directors continuously monitors risks in the past 2-3 years. With the change in the business model, The Board of Directors reviewed and adjusted the risk management policies to ensure systematic and efficient risk control by expanding the scope of structures and measures that cover the stakeholders and business chains. The overall significant risk management policies are as follows:

1. Establish that risk management is a part of the decision-making process, strategic planning, and operations of the group of companies.
2. Promote the structure of risk management in the working group to together consider risk factors, identify important types of risks, and put in place risk mitigation measures as well as evaluate and consider ways to reduce or avoid risks to an acceptable level by taking into account the benefits and all stakeholders.
3. Improve employees and the risk management working team to have knowledge and understanding of risk management processes and guidelines, including cultivating an organizational culture that recognizes the importance of risk management.
4. Promote the development of tools or various approaches to measure and assess risks appropriately and in line with the current situation.
5. Supervise operations and inspection process to be per policies to have an efficient internal control system and appropriate risk management policies.
6. Monitor the overall risks of the company's group and prepare reports on the status of important risks to the Board of Directors.
7. Establish a plan to support continuous business operations to at least cover important transactions. If there is an impact, operations will be halted.
8. Arrange the group's risk management to be reviewed regularly, at least once a year to update the policies and reflect on the changing situations.
9. Assign the Chairman of the Executive Committee to establish a risk management committee and the Managing Director to set rules, criteria, and guidelines for risk management.

Edited 9 November 2023

2024 the Risk committee and related united were gathered to determine and analysis the risk and reviewed risk factors which may prevent p6otential losses from happening and suitable the changing factors efficiently (more details as on the report of Risk Management Committee). There were 5 classified risks categories may impact to the operation as follows;

Strategic Risk

1. Risk from Fluctuation in Raw Material price

The steel industry is an important factor that causes the price of steel to be highly volatile. Prices move up and down quickly. Currently, the main raw materials that the company uses in steel processing are 2 types: hot-rolled steel sheets (HRC) and galvanized steel sheets. Due to price fluctuations, It directly affects the company's operating results, especially during the downturn of steel prices. That causes the risk of inventory impairment (NRV) because it takes approximately 30 days to receive raw materials and the ability to determine the difference

between the selling price and cost (margin) is not possible.

Therefore, the management is looking for ways to manage inventory to reduce risk during the downturn in steel prices, starting from closely monitoring the steel prices and steel consumption trends, planning and determining order quantities, sourcing imported raw materials and transportation routes or even adjusting the strategy to focus on selling finished products to shorten the period of remaining of products in the warehouse.

2. Raw Material Procurement

Hot Rolled Coil (HRC) is a kind of raw material for the Company's steel processing. The main domestic producers are Sahaviriya Steel Industries PLC, G Steel PLC and GJ Steel. Due to the limitations of having only 3 manufacturers in the country, together with the production capability that may not be sufficient to meet the demand in the country, as well as the purchase of raw materials at the spot price, the company might be exposed to risks arising from the lack of raw materials in the country and price competition issues if the company is unable to procure raw materials from other sources to meet the demand.

However, HRC is not the main raw material and the management has the solution to support and Sales adjustment by expanded product group for alternatively when there are trended of HRC will be lacked. Anyhow, good and long relationship with the 3 raw material manufacturers, we have been sharing information which has been useful in raw material warehouse management. As a result, the company has never encountered a shortage of raw materials.

Financial Risk

4. Risk from Exchange rate fluctuation

Exchange rate fluctuations are a direct risk factor for the company's income and expenses. In terms of income, the company exports raw materials and finished goods to GSP subsidiaries in Lao PDR. The net export and import value after offset may cause the company to run into a deficit. As for expenses, the company may have to order raw materials and import machinery from abroad at higher prices.

To manage risk from such fluctuating exchange rates. The company has established a policy for managing export costs and selecting financial tools such as forward contracts and currency insurance (Options) to be appropriate to the situation.

Year 2024, the Company gained on exchange rate of Bt. 5.93 million as the Thai baht appreciated by *0.3% form year 2023. However, the related transaction with subsidiaries in Lao PDR. which LAK is highly depreciated, the Company has effected in export and import deficit. The Company adjusting its transaction to purchase products instead of selling raw material to subsidiaries for reduce loss in exchange rate.

* Ref: อ้างอิงจาก ศูนย์วิจัยกสิกรไทย

3. Top Executives having close relatives engaged in similar businesses

The Company and the Subsidiary's top executive is Mr. Sombat Leeswadtrakul has close relatives operating business relating to steel products in line with the family backgrounds, ie. Being directors and/ or major shareholders of companies engaging in steel products, hence similar business to that of the Company and the Subsidiary and considered the competitors thereof which could lead to conflict of interest. However, the Company's market area is in another region which is not customer overlap and can maintains the advantage in term of transportation and convenience to taking care of customers.

Furthermore, The Company has Related transaction policy which the Board has delegated power and authority to Mr. Sangrung Nitipawa- chon (Managing Director) , who is not a close relative, to administer the business relating to steel products and authorized to approve the related transactions. Also The Company' s shareholder structure comprises shareholders that are not related to or have influence on one another. And Board of Directors is composed of 10 members which have 5 independent directors. This can ensure balance of power and protection of maximum benefit to the Company.

5. Risk from providing credits to customers

The company has trade account receivables from trade agreements in the form of trade credits. This may pose a risk if a trade account receivable fails to pay for the goods or fails to make the payment on time as agreed upon, regardless of the volatile quantity and price of goods sold, impacts of the economic recession, which may affect the profitability and financial position of the company.

To minimize this risk, the company places great importance on the trade credit approval process, including strict credit terms that have to be in line with the purchase demand and the ability to pay for each customer who is in a reliable steel business. The company will request financial guarantees, such as bank guarantees, which must be approved in writing by the executives who have authority in such matters

Ended of 2024, the Company had trade receivables in the amount of 378.83 million baht which more 85% were not yet due. The aforementioned risks did not significantly affect the company's liquidity. In addition, there is currently a program to support financial institutions in providing direct credit to customers who buy the company's products. This will reduce the company's credit risk burden.

Operation Risk

6. Risk in Human Resource Management

The company consists of factories and offices located in various regions distributed throughout the country with different ways of life. Therefore, there may be a risk of a lack of workers with the knowledge and ability to keep up with the demand. The human resource management model can be divided as follows.

Recruitment : Recruiting labor with the right knowledge, skills and abilities to work immediately, also how to fit the organization's culture. That takes time to recruit and may unable to have right man in time. The Company needs to constantly explore new and diverse channels and analyze effective recruitment channels.

Training and development : Developing new skills allows employees to use their know- ledge to create results for the organization. Problem is when they are well known on work, they would resign. The Company reduces risk by use labor relation activities to create good relationships and positive attitudes between the Company and employees.

Employee retention: The company has no way of knowing in advance when skilled employees will resign. This is another issue that HR places importance on to find ways to prevent such risks, including preventative measures to allow the business to run smoothly.

7. Information and Communication Technology Risk

Changes in information technology are evolving and changing rapidly. Today's competition and business development must rely on the use of technology and linking various information via the internet to help

increase business efficiency and create a good experience for customers. The company takes into account the stability of the use of the organization's information technology system, such as software that is not developed in time or is not responsive enough which could cause data saving or setting errors, leakage of important information, and in backup and storage errors as well as cyber threats. All of which may have severe impacts on both the company and its stakeholders. The company, therefore, places importance on preventive measures and impact reduction to control risks.

Year 2024, the Company set IT security policy, provided procedures of Program testing and monitoring compliance planning.

* Set access and review the right to various data by early year.

* Design an emergency response plan, test date recovery and record the results monthly.

However, the Audit Committee assigned the Internal Audit Department to report the results of inspections of information technology systems at least twice a year and immediately when issues arise. The reports will be submitted to the Board of Directors' meeting. In addition, the company also places importance on developing and training personnel to be knowledgeable and up- to- date with emerging technologies to be able to plan, assess risks, establish guidelines for risk prevention efficiently.

Compliance Risk

8. Personal Data Protection Act (PDPA)

Stakeholders' personal information is a potential risk to the reputation, credibility, and legal status of the company. Because if the relevant agencies lack knowledge or are not competent in protecting information sufficiently, it will open up an opportunity for criminals or people with bad intentions to misuse such information.

Therefore, the company has implemented a Personal Data Protection Act (PDPA), commu-nicated and trained all employees, and set practical measures for data controllers to be careful when using, storing, collecting, disclosing, or transferring data. The company has informed the stakeholders for acknowledgement and consent to record the data, from entering the company's website and applications developed by the company to

data being collected in the job application process. The company specifies and limits the rights of persons who have access to information based on their positions and roles.

9. Risk from the change in regulations, policies, guidelines in the countries where the Company has investments.

In connection with the company's investment in Laos PDR, there may be risk of change in law, guidelines, regulation, policies of that country which is unavoidable e.g. laws on stamp duty, labor laws, environmental laws etc. Nevertheless, the company has already consulted legal counsel in Lao PDR to seek alternative in reducing the risk.

Social and Environment Risk

10. Internal Control and Fraud risk

Corruption for personal or collective benefits is one of the risks that the company has seriously and decisively tried to prevent through the enforcement of anti-corruption policies and guidelines, including communicating and training employees of the organization to be aware of the business ethics and strictly follow them. The Internal Audit Department is assigned to report the results of auditing compliance with guidelines and preventive measures of each department related to the government twice a year to the Audit Committee and the Board of Directors for acknowledgment.

In addition, the company regularly reviews the internal control system to ensure that the company has an appropriate and sufficient internal control system to control all operations to be by the goals, objectives, laws, and relevant requirements. The internal control system has to be capable of protecting assets from frauds and damages and preparing accurate and reliable reports.

11. ความเสี่ยงด้านสถานะแวดล้อมที่เกิดขึ้นใหม่ Emerging Risks

The changing global conditions are causing emerging risks such as changing weather conditions, natural disasters, air pollution, and cyber-attacks which may affect operations and can cause damage to the organization

Therefore, the company must prepare for potential damages and act carefully against potential new risks in the future by regularly communicating risk issues to resource management personnel and regularly reviewing emerging risks without overlooking the possibilities so that they can think of measures to support and adapt quickly.

In 2024, the Company and its subsidiaries were affected by weather and natural disasters, Flooding in the South which many employees unable to travel to work, production line was be disrupted. the Company had to break some machines on working and keep continue as normally as possible. For subsidiary Korat branch, PM 2.5 air pollution crisis for long time that's affected to the Employee's health much. We carefully communicated and announced how to cope and take care of their own health to prevent illness.

Sustainability Management Policy

The company is committed to develop business and create knowledge to increase personnel's efficiency in the increasingly competitive business environment while generating maximum profits. The company also places emphasis on its responsibilities to those involved in all business sectors, both directly and indirectly, so that the operations are balanced in terms of economy, society and environment. The business operates in the way that all stake- holders are taken into consideration in both supply and demand side within the framework of sustainable development using the principles of good corporate governance as a guideline in formulating 3 different strategies and policies as follows:

1. Operate the business with the ultimate goal. Avoid focusing solely on generating profits but also creating mutual benefits for all stakeholders involved in a sustainable way.
2. Develop the community and maintain the environment. Use resources to their maximum capacity and value and participate in helping to drive and improve the quality of life of people in the communities wherever the Company does business in to be able to grow sustainably while contributing to society at the same time.
3. Operate the business with sustainable development principles and make them a part of the company's normal business operations. Drive the country's economy through the company's profits.

The company encourages directors, executives and employees to comply with these policies to ensure that operations are consistent with and support its sustainable development goals and vision. The company has defined the principles of organizational management to be concrete and continuous which are divided into 6 guide- lines as follows:

1. Innovation and technology development
2. Responsibility to consumer
3. Environment and safety
4. Human rights and labor
5. Participation in community and social development
6. Good corporate governance

Impact Management on Stakeholders in the Business Value Chain

※ **Business Value Chain**

The company has reviewed the management of stakeholder engagement in all aspects throughout the business process, including procurement of raw materials and products, production, sales, transportation, after sales and supporting activities. Assessment of impacts and influences have been conducted to identify issues that stakeholders focused on and use it as a guideline for creating and developing processes to respond to those issues.

※ **Business Chain Stakeholder Analysis**

| Stakeholder | Operation | Expectation | Response |
|-------------|---|--|---|
| Employee | <ul style="list-style-type: none"> • There is a channel for receiving suggestions, opinions or complaints • Organize trainings to develop potential of work • Set compensation fairly and appropriately to the responsibilities • Employee satisfaction survey and Employee Engagement • 2S chat community; communication channels that are beneficial to everyone in the organization | <ul style="list-style-type: none"> • Get access to programs for career advancement • Receive fair compensation and welfare • Good and safe working environment • Educate and share useful information for dairy life and build relationships among personnel in the organization | <ul style="list-style-type: none"> • Improve the workplace to have a clean and safe working environment • Organize training courses to develop skills and knowledge • Evaluation of performance and consideration for compensation according to it |
| ลูกค้า | <ul style="list-style-type: none"> • Customer satisfaction and customer service • Visit customers and participate in customer activities • Create communication channels for customers | <ul style="list-style-type: none"> • Quality of products, prices and services from the company • Convenience to contact for help. • Product knowledge for correct use | <ul style="list-style-type: none"> • Deliver quality products and on time • Develop products to meet expectations • Participate in activities and listen to the needs of customers |

| Stakeholder | Operation | Expectation | Response |
|------------------------------------|---|--|---|
| | | | <ul style="list-style-type: none"> Communicate product information and company's news via Facebook and Line |
| Shareholders | <ul style="list-style-type: none"> Annual Shareholders' Meeting Preparation of annual reports Investor meeting activities Access to information and disclosure of information through the stock market | <ul style="list-style-type: none"> Generating good returns Equitable treatment of shareholders Transparency in business operations and good governance Operations with social and environmental responsibility | <ul style="list-style-type: none"> Appropriate payment of dividends to shareholders Organizational management and development for sustainable growth Disclosure of information through the company website Provide a channel for inquiries via investor relations email Member of the Thai Private Sector Anti-Corruption Program (CAC) |
| Competitor | <ul style="list-style-type: none"> Meetings on the right occasions Exchange opinions and avoid searching for information to take advantage or information that is unfair | <ul style="list-style-type: none"> Organize training to develop work potential | <ul style="list-style-type: none"> Do not seek confidential information of competitors Do not damage the reputation of competitors by slandering or attacking Have a code of ethics to conduct business with transparency |
| Partners | <ul style="list-style-type: none"> Opportunity to visit the production process Provide communication channels and accurate and clear information Strictly comply with the terms and conditions of the commercial contracts Participate in the company, partnering companies and social activities | <ul style="list-style-type: none"> Work in cooperation and grow together Conduct business with honesty Procurement system that is transparent and verifiable | <ul style="list-style-type: none"> Policy and procurement practice manual Determine returns that are suitable for quality Pay within the specified period Communicate anti-corruption policies |
| Community, society and environment | <ul style="list-style-type: none"> Visit the community to exchange opinions Support community and public activities Promote learning skills and improve the living around the community | <ul style="list-style-type: none"> Operate business in the way that does not affect the community and the environment Support community and public activities Promote learning skills and improve the living around the community | <ul style="list-style-type: none"> Control the quality of the environment in accordance with the standards prescribed by the law Promote the activities of educational institutions to develop students, grant factory visits and donate equipment to promote learning Public benefit programs such as blood donations, donating items to the disabled, the blind or nursing homes |
| Government Sector | <ul style="list-style-type: none"> Follow up on government policy news Participate in activities or support projects that create common interests | <ul style="list-style-type: none"> Comply with the rules and regulations of the agencies in contact | <ul style="list-style-type: none"> Comply with the law on tax management Correct and complete Information Continue to cooperate in social activities of the public sector |

※ **Important Achievements in Sustainability**

| Corporate Governance | Economy | Social | Environmental |
|--|--|---|--|
| <p>Very Good CGR score for 3 consecutive years.</p> <p>Obtained extended membership in Thai Private Sector: Collective Action Against Corruption (CAC)</p> | <p>Developed a sales system where customers can access real-time information and order products more easily</p> <p>Developed transportation system, monitoring delivery status and delivered evaluation.</p> | <p>Develop channels to connect relationships of employee in the organization</p> <p>No labor disputes or issues of human rights violations.</p> | <p>Changed LED light in the Plant 3_ saved electricity of more than 3,070 MWh while increasing production capacity more 20%</p> <p>Reduced greenhouse gas emissions by using solar energy of more than 2.77 million TonCO2-eq.</p> |

Environmental Sustainability Management Policy

Although the company operates in the steel processing industry, the company's environmental management approach is not only limited to minimizing the impact of the business, but also promoting and creating value for the surrounding communities and businesses as well.

The company has guidelines to determine concrete environmental plans by emphasizing on coexistence with the communities, supporting the Sustainable Development Goals (SDGs), and following guidelines to reduce greenhouse gas emissions and access to the communities' energy. However, presently, the company has been continuously promoting energy conservation and energy saving by starting from the employees, such as saving water, saving electricity, reducing the use of paper, and planning logistics which helps reduce the use of water, fuel, etc. The company has never had any environmental disputes.

The company has set up a Safety and Occupational Health Committee and set up a risk assessment and management system to monitor its operation. The company's environmental management goals can be divided into 4 groups as follows:

- 1. Use natural energy (Saving)** To reduce electricity consumption, use solar energy as renewable energy from Solar PV Rooftops in the production process and as light sources in work areas.
- 2. Select efficient equipment (Effective)** To select equipment and machinery with high efficiency, increase the quality and quantity of production, and utilize energy for long-term value.
- 3. Improve machinery (Improvement)** To improve machinery for production efficiency, reduce energy consumption, and ensure greater productivity.
- 4. Fix weaknesses (Zero Loss)** Fix energy leakage points for the most efficient use of energy such as turning off devices when not in use and repairing power leakage points.

✦ **Energy and Resource Management**

| The Company and Subsidiaries | Year 2024 | Year 2023 |
|---------------------------------|-------------------|-------------------|
| Electricity consumption | 7,127,820 units | 5,762,650 units |
| Water consumption | 13,550,000 liters | 12,355,490 liters |
| Oil and fuel consumption | | |
| * Diesel (liter) | 30,452 liters | 29,888 liters |
| - Logistic Business - | 1,332,211 liters | 1,401,372 liters |
| * Benzene | - | - |
| * LPG gas | 54,384 kg. | 32,880 kg. |
| * Anti-rust oil | 97,600 liters | 83,800 liters |

In 2024, Neastern Steel Co. Ltd. (Subsidiaries) change light to LED high Bay in Plants 3 to be 200 Watt by 30 sets such save electricity consumption more 21,600 kWh.

✦ **Greenhouse Gas Management**

In 2024, 2S Metal Public Company Limited generated greenhouse gas emissions of 3,396 TonCO₂eq decreased from previous year amount 1,114 TonCO₂eq, which can be divided into 3 categories:

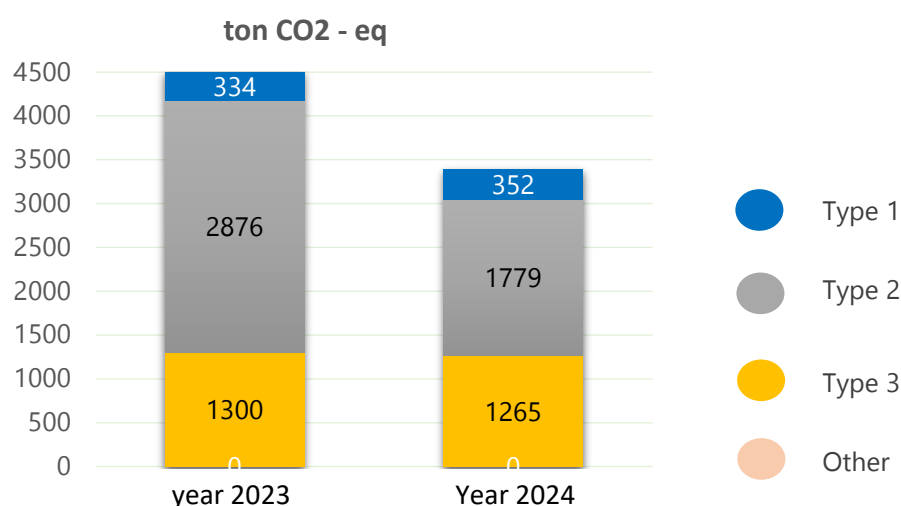
Category 1 Direct Emissions of 334 TonCO₂eq representing 10.36%, caused by activities within the organization such as the combustion of machinery in the production process, fuel use for corporate-owned vehicles, chemical use in wastewater treatment, leakage, etc.

Category 2 Energy Indirect Emission of 1,779 TonCO₂eq, representing 52.38% of energy purchases .for use in the organization such as electricity and thermal energy

Category 3 Other Indirect Emission of 1,265 TonCO₂eq, representing 37.24% caused by indirect activities in which the company is involved, such as the transportation of goods, waste disposal, travel of employees by vehicles that are not owned by the company, etc.

* The Figures on the amount of greenhouse gas emissions above have been verified and the verification and certification document has not been submitted to the Thailand Greenhouse Gas Management Organization (TGO).

Comparison the Carbon footprint usage Y2023 vs Y 2024 -



✧ **Solar Roof Project**

The Company has 2 Solar roof location for production line with the total capacity of the solar power generators is approximately 3.5 gigawatts GWh. Hat Yai factory had installed 1.5 MW solar panel and Subsidiaries, Nakornratchasima installed 1.99 MW. Year 2024, the Company and its subsidiaries have been using electricity from solar roofs at 1,383,111.80 kWh and 1,689,300 kWh, respectively. When calculating the electricity cost at 4.96 baht/unit, it is calculated to save 15.24 million baht on electricity costs and help reduce greenhouse gas emissions by 2.77 million kilograms.

✧ **Other Environmental Operations in 2024**

1. Water pollution management

The company uses a water recirculation system, which means running water through the production process to cool it down with air and reuse it. When required to discharge into the environment, The pH of the water will be checked by an outsourced company first. There will be a detailed record of the sources of water pollution and a treatment report before cleaning the coolant ponds and cooling towers. The wastewater will then be transferred to Better World Green Public Company Limited for further treatment.

2. Production waste management

The company divides waste from production into 2 types: waste to add value, such as steel scraps, which will be sold to buyers; and waste to be disposed of, in which the company will proceed to request permission to send to a company that has been authorized by the Department of Industrial Works for further disposal. In the year 2024, the Company and its subsidiaries requested to remove waste from production totaling 132,735 kilograms to Green Environment Technology Co., Ltd. and Waste 2 Energy Co., Ltd. Whose service Industrial waste disposal treatment.

3. Noise pollution management

The noise from the operation of machinery that leaks outside the company is at 61.8 dBA, which is not higher than the standard which is set at 70 dBA and does not affect the communities around the factory. For the health and safety of employees, the company provides hearing protection equipment such as earmuffs and earplugs for production line employees to wear throughout the working period. Noise level indicator signs are displayed in the factory area where the noise exceeds the standard rate.

4. Air pollution management

The company has installed a smoke treatment system to treat the smoke generated from the combustion of machinery and regularly checks the condition of the company's trucks. The air quality around the facility is monitored and measured by an external company, with the result of 0.024 mg/m³ from the standard value of 0.12 mg/m³, which is not higher than the set standard.

Social and Community Policy and Practice

The company recognizes that society and environment are essential for sustainable development in the future. The company intends to apply the criteria and framework for reporting information on social and environmental responsibility to stakeholders according to 8 principles to adjust and practice in management. The goal of the action is for the organization to coexist with the community and society peacefully and to enhance their progress at the same time by defining guidelines for joint practice as follows:

1. Conduct business with honesty, transparency and accountability. Focusing on the growth of the company's group while improving the quality of life of employees, communities and society.
2. Operate business by placing importance on the corporate governance under the framework of ethical management, especially processes that are related to corruption risks within the organization and all forms of corruption, both directly and indirectly.
3. Conduct business with respect for human rights. Do not take advantages of employees and treat them equally and fairly.
4. Place importance on personnel development training for employees to develop and grow in their line of work appropriately.
5. Develop service and technology to be modern and continually beneficial to employees, customers, partners and society.
6. Support activities and projects that lead to community and society development in education, labor and community potential, including helping to alleviate the suffering of disaster victims

Employee and Labor Treatment

1. Respect for human rights

The Company has set employee regulations under the principle of respect for basic human rights according to international standards, without discrimination as regards birth place, race, religion, sex, age, skin color, disability, status, educational institute, or any other status not related directly to the work performance, including also respect for individuals and human dignity, the Human Right policy has defined guidelines for practice https://www.ss.co.th/about_th/corporate-governance_th/related_policy/ as part of business ethics toward stakeholders. So far, the Company and subsidiaries have had no record of being complained of violating human rights.

| Employment Info. (as 31 December 2024) | The Company and branches | | Subsidiaries* | |
|---|--------------------------|--------|---------------|--------|
| | Male | Female | Male | Female |
| No. of employee | 217 | 98 | 290 | 29 |
| Operation level | 210 | 92 | 287 | 20 |
| Executive level | 5 | 5 | 3 | 9 |
| No. of resigned | 38 | 10 | 101 | 5 |
| Disable person | 2 | 1 | 2 | 1 |

* Subsidiaries consist of Neastern Steel Co. Ltd. Mega Trans and Logis Co. Ltd. and Grand Steel Pipe.

In 2024, The Employee turnover rate by monthly of the Company was 1.28%, Neastern Steel was 3.98% and Mega Trans and Logis was 0.78%

2. Fair treatment of Labor

The company is always aware that all employees are invaluable resources of the Company. It is one of the factors of success in achieving the goals of the company. Therefore, the recruitment and hiring process are priority points which have to concern and providing of fair treatment in terms of opportunities, compensation, appointment, transferring together with providing plan of skill development and also determining the safety and hygiene in workplace.

- Wage, Compensation and other Benefits

The company takes motivations of employees into account, lets employees work to the best of their ability and treats them fairly in any occasions. The employees are treated according to legal requirements and a standardized system of practice. Assessment and analysis of the value of the work has been conducted to ensure it is up- to- date, appropriate to the level of duties and responsibilities, consistent with business operations and is at a competitive level or suitable to the rate of compensation of other companies in the same business. The total compensation year 2024 of the Company's employee and subsidiaries' employee was 162.04 million Baht. Details was shown in "management" section.

In addition to compensation in the form of salary and wages, the company has established a provident fund as a welfare benefit for employees for stability after retirement. In 2024, there were a total of 123 employees of the company volunteering to join the fund, accounting for 1.23 million Baht in fund contribution, and 85 subsidiaries accounting for 0.90 million Baht.

- The company hires by the minimum wage policy and considers adjusting wages and salaries annually. The adjustment takes into account the results of work and the rate of deflation and inflation together with the company's operational performance. In addition to the annual wage and salary adjustment, the company also has a fast-track program for talented employees or employees with knowledge and ability to receive appropriate compensation without having to wait for the annual adjustment.
- The company provides welfare to employees to help with their livelihood. Facilitation for employees such as provident fund, social security, annual health check, marriage benefits, funeral benefits, various special leave days, employee transportation, uniforms, etc.

- Potential Development

The company provides training and develops personnel to increase their skills and ability to work, together with creating campaigns that are consistent with corporate governance, such as ethics and anti-corruption campaigns for executives and employees of the company and its subsidiaries. In addition, the company has created channels for employees to participate in reporting clues or making complaints about corruption through various channels to instill love in employees for the organization and help prevent the risk of errors or damage to the company.

The company has set a personnel development plan and reviewed every quarter training courses to suit its needs for its employees and its subsidiaries so that employees can utilize their knowledge in their line of work for higher efficiency. In 2024, the Company organized 299 training courses for all of employees in the form of self- learning, external training, and internal training for employees of the company and its subsidiaries. The average time spent on training was 12 hours per person per year which was divided into:

- * 18 basic knowledge courses,
- * 85 Sales and Marketing courses
- * 39 Human resources and safety courses
- * 4 Management skills courses
- * 7 Accounting and Finance courses
- * 28 Warehouse management and Logistics courses
- * 15 Technology Information and Computer courses
- * 97 Manufacturing Engineer and Purchasing courses
- * 6 Quality Control and work improvement courses

- Safety and Hygiene in workplace

The company cares about life and health of all employees. Thus, exercise activities in the morning before work have been organized for employee's good health and their readiness to work. Because the company's main line of work is related to machinery, the company has organized a division to manage safety and working environment so that employees are safe at work and comfortable in good hygiene in the working environment, exceeding the standards required by the law.

Occupational Health and Safety policies were set and issued since October 2014 as a chapter on the topic of trainings that all employees must learn as the company's production line is mostly related to machinery work.

Using and Caring of fire extinguishers



ดิ่ง (สายฉีด) - ปลด (สลัก) - กด (กดไก เพื่อให้มีน้ำยาดับเพลิงพุ่งออกมา) - สาย (หัวฉีดให้น้ำยาพุ่งออกมา)

Occupational Health and Safety policy

2 S Metal Co. ,Ltd produced and distributed metal products with Occupational Health and Safety management system which was critical to the business and that led the company to implement policies as follows:

1. Commit to improve and innovate management system with regard to Occupational Health and Safety in workplace in accordance with the legal requirements laws of Thailand including international laws and other related requirements.
2. Inform all employees about the importance of work. Prioritize safety especially personal safety and fire incidents.
3. Review and improve workplace, machinery, tools, and equipment to protect personal safety to be available to use at full capacity at all time.
4. Inform all employees of all levels and sectors to follow the safety rules established by the company
5. Support human resources in appropriate manners suitable with the nature of their work in regard of the Occupational Health and Safety principle. Aim to develop the company's human resources with knowledge and build ethical foundation in term of health and safety, and work environment.
6. The company places importance on safety at top priority in overall performance assessment. The Directors of all levels are responsible to supervise and support safe operation and efficient performance. All employees should also fully cooperate in operating safety principles.

Occupational Safety Statistics (The Company / Subsidiaries)

| | Unit | Y2024 | Y2023 | Y2022 |
|-------------------------|----------|--------|--------|--------|
| No. of work accidents | Times | 15 / 6 | 9 / 11 | 9 / 13 |
| No. of stop working | Person | 10/ 5 | 9 / 2 | 8 / 7 |
| No. of deaths from work | Person | 0 / 0 | 0 / 0 | 0 / 0 |
| No. of days of absence | < 3 days | 0 / 0 | 2 / 1 | 4 / 5 |
| | > 3 days | 10 / 5 | 7 / 1 | 3 / 2 |

- Relationship Activities

The Company organized relationship- building activities to encourage employee participation in the organization and promote good relationships between personnel and the company to keep employees happy and productive, like the motto "Happy People, Successful Work". This will create positive attitudes toward the organization and benefit the company's productivity, service, and image.

- * Thank you Party was held on New Year Eve, which served banquet and gift to employee.
- * Morning talk: Monday morning, supervisor and HR would meet with employee to announce news or information
- * Baby Welcoming / Graduation Days: / Express condolences and scholarship to employee's child of the Company and its subsidiaries for reduce expenses by 204 units at Bt. 1,000
- * Newcomers activities: Employee whos' work more 2-4 weeks will meet HR to knowledge "2S Values" activities



* Religious Ceremony with employee *

มอบทุนการศึกษาประจำปี 2024 จำนวน 110 ทุน



* Sport Activities; sport day, sport club, badminton club, football club or play games and quizzes on various occasions.



- Satisfaction Improvement Plan

In 2024, the company has the plan to create satisfaction and build relationships among employees to the company, including creating employee happiness surveys, developing supervisors' skills in providing feedback and arranging various activities for employee engagement.

Responsibility to Customer

Satisfiable service is one of the keys to running a good business. For this reason, the satisfaction of the customers is the company's priority. Every year, the company conducts a survey of customer satisfaction with its products and services to use the information to evaluate and improve products and services to meet customer needs and work more comprehensively in the future.

In 2024, the company developed a customer satisfaction survey program through a convenient and fast application. Customers can take the survey every time they receive the products through a delivery person from subsidiary companies. From 10,206 responses, 81.92% of the responses were from the company's transportation service, while the rest were from self-pick-up at the factory. The results

of the survey say over 99.6% of the customers are satisfied. In addition, the company places importance on customer feedback, suggestions, and opinions to respond and improve until further satisfactory, such as product conditions upon delivery and services.

As for Delivery, in some periods, the subsidiaries' delivery capacity is insufficient, making it necessary to find partners to support delivery services instead. However, the company continues to ensure that its delivery partners follow good principles and the results of the transportation evaluation both from subsidiaries and partners show that over 98% is satisfied.

Responsibility to the Community and Society.

The Company always places importance on the Community and Social relations. In the past year, the Company has involved and support the activities of the community, families of employees or local administrative municipalize.

* Blood Donation; every 3 month, the Company support limousine for employee or people who need to donated.

* To be sponsor on Children's Day activities / Elderly Day/ red-cross fair and Gratitude Day.



- * Scholarship to Klong Nok Grathung School, Songkhla / Dredging and kept the ecosystem of Sai-moa canals.
- * Joined in public hearing with communities regarding the installation of Solar Cells and Waste banks projects for greenhouse gas emissions. Including activities to forward old light bulbs for proper disposal in environmentally friendly manner.
- * To be sponsor mini marathon "Run for Children" no.10 of Songkhla University and Donated on "the 70th anniversary walk-run" to Kobkarn foundation school.
- * Joined the fight against drugs "White Factory"



* Vegetarian Festival with customers



- * Donated dry food, drinking water for flood victims in Chiang Mai.
- * Participate in making food charity for the Celebration Ceremony of Provost Kowit-Kittisarn



* Promote sports and support sports shirts.



* กฐินสามัคคี วัดเนินพิชัย สงขลา และ วัดโนนหมั่น นครราชสีมา



* Participate in the environmental management plan to develop the community.

Company’s Performance

The Steel industry in 2024 was affected by the sluggish economy and slowing Mega project of government spending. The steel market to be pressured with many factors 1) the contraction in steel consumption and decline of purchasing power in the real estate sector. 2) China’s steel export was gained to larger share of Thai market which put downward on steel prices Thai enterprises has affected in terms of both unable to make price spread and risk of losses in the Net Realized Value of inventory. Year 2024, the Company’s net profit was 23.22 million Baht decrease by 136.59 million Baht or 85.47% when compare to the year 2023.

*** Total Revenue from Sales**

The total revenue from sales in 2024 amounted to Bt. 7,447.05 million, increased 9.92% cause quantity of sales increased by 20.91% while average of selling price was reduced to 9.09% due to the condition of steel price fluctuation. The company's sales revenue came from 2 main businesses: namely the steel product processing business at approximately 60.0% increased 12.99% from previous year and trading 38% increased by 5.34%.

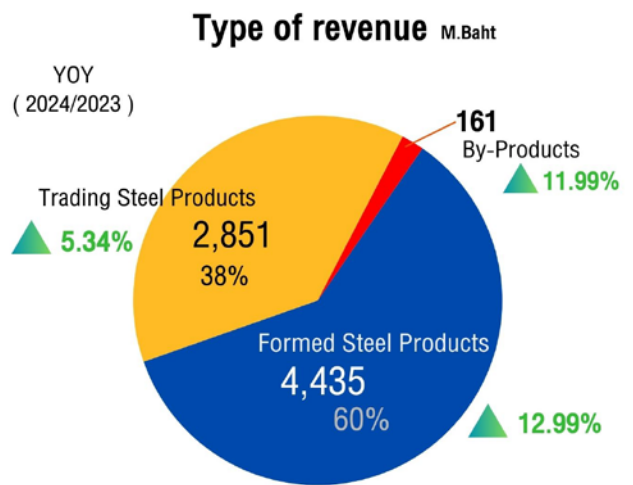
*** Cost of Sales**

In 2024, the Company had total Cost of Sales of Bt. 7,127.89 million, or 95.71% of Sales revenue, increased by 12.22% when compared to the year 2023. Due to the steel price situation was falling which the price of raw materials and inventory to be lower than the selling price in the market at that time. Throughout the year 2023, the company recorded Net Realizable Value by Bt. 13.26 million.

The cost of goods sold can be divided into cost of sales incurred from steel processing, accounted for approximately 55- 60%, most of which was the cost of raw materials which include Galvanized steel, which fluctuate in line with global steel prices and other costs of sales such as transportation costs for raw materials, direct labor costs, production costs, etc. While The cost of sales from the business of procuring steel products for distribution accounts for about 35.-40% of the total cost of sales. Increases or decreases occurred were the result of the vary in the value of steel products that the company sells.

*** Gross Profit**

The company had a gross profit of Bt. 319.16 million, representing a gross profit margin of 4.29%, decreased from year 2023 with a gross profit margin of 6.25%, due to average steel price was declined which unable to make price spread.



*** Operating Cost**

The company's main costs of sales are related to transportation, fuel, and promotional expenses. The company’s costs of sales amounted to Bt. 223.30 million which increased by 36.94% when compared to the previous, due to the quantity of sales. The transport cost per ton was increased to 596.07 Baht from 508.70 Baht of year 2023.

The administrative expenses amounted to Bt.119.77 million, increased by 8.67 million Baht, proportioning to revenue from sales of 1.61% which consisted of employees’ salary, directors’ remuneration, bonuses and employees’ benefits (According to Accounting Standard No. 19). Including the provision for doubtful accounts more than previous year in the amount of Bt. 5.13 million.

Interest Expenses was Baht 0.75 million, increased of 188.46% from year 2023, due to the repayment of loans from financial institutions and loaning from financial institutions to use as working capital for the business during the period.

Factors that may affect Financial Position and Operation Result

Risk from fluctuations of Raw Material prices

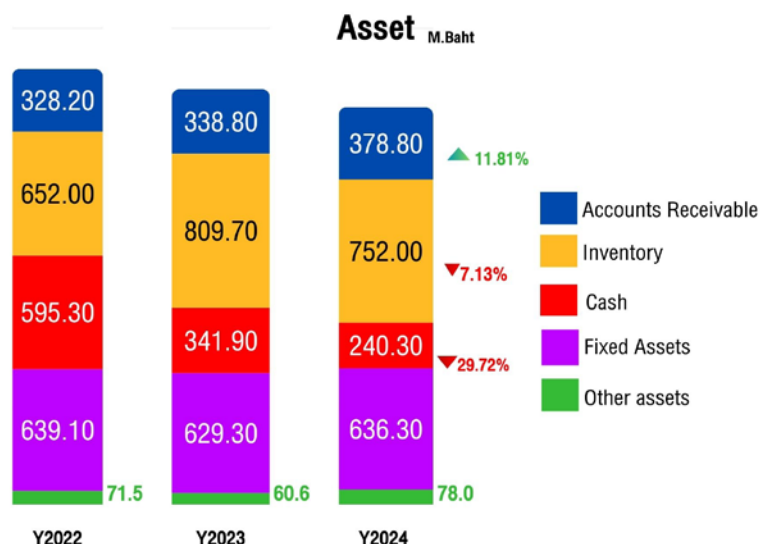
Since hot rolled steel coil is the company's main raw material used in the production of steel products, the price will change according to the world's demand and supply. If the price of raw materials decreases and the company cannot adjust the selling price to be higher than the rate equal to or greater than the decrease in raw material prices, such factors may affect profitability in the future. The company has a gross profit ratio to total revenue from sales of 1.60%, 6.25% and 4.29% in 2022-2024, respectively.

Financial Position

❖ Asset

The company has total assets of Bt. 2,085.45 million, decrease of 4.35% compared to the end of 2023. The assets are divided into current assets and non-current assets. The current assets amounted to Bt.1,431.48 million, decreased by Bt. 102.96 million or 6.71%. Consisting of inventory of Bt. 751.99 million, decreased of Bt. 57.69 million and trade accounts receivable was Bt. 378.83 million, representing a ratio of 36.06% and 18.17% of total assets. Cash and cash equivalents was Bt. 240.30 million which decreased Bt. 101.59 million at the end of period.

Year 2024, the Company invested to Warehouse and machine. Anyhow, when adjusting the depreciation of building and equipment – also goodwill decreased. Hence, the non-current assets were Bt. 653.97 million which slightly increased from 2023. Therefore, the return on assets was 1.09%, decreased from the year 2023 by 31.66% return on assets.



❖ Inventory

The inventory was Bt. 751.99 million, decreased of 7.138% from year 2023. The Company kept more inventories in the form of raw materials, finished goods and goods in process. Cause of the steel price situation in 2024, the steel price decreased during the year. As a result, the cost of goods was higher than the net realizable value at the end of 2024, an

topic "Loss from cost of goods being higher than received value") with an average sales period of approximately 20 days. Considering all directions, the company set policies on inventory management to operate and correspond to sales volume effectively while keeping full consideration on

increase of Bt.4.76 million (see more details in the

product price adjustments and amount of customer demand combined.

❖ Account Receivable and Note Receivable-Net

In 2024, Accounts Receivable was Bt. 378.83 million, representing a ratio of AR to total assets of 18.17%. In 2024, there was an increase of Bt. 40.04 million, or an increase of 11.82% from the end of 2023, and the provision for doubtful accounts has more 5.13 million when compared to year 2023.

For sales policies and customer credits, the company has policies in considering credit terms for each customer. In the case of a new customer, the company will only receive payment in cash. Granting short- term credit and further credit extension (credit period of 7- 60 days) will be considered after multiple deals are made with the customer.

The Company had reviewed the criteria analysis Ageing of trade accounts and assessment to be done by the Managers of Accounting Department and Marketing Department and proposed to Managing Director for approval before setting allowance for doubtful accounts. Criteria for setting allowance for doubtful accounts consist of:

1. Trade accounts with over 4 months up to 6 months overdue receivables, who are still contactable and show intention to pay, will be monitored closely and

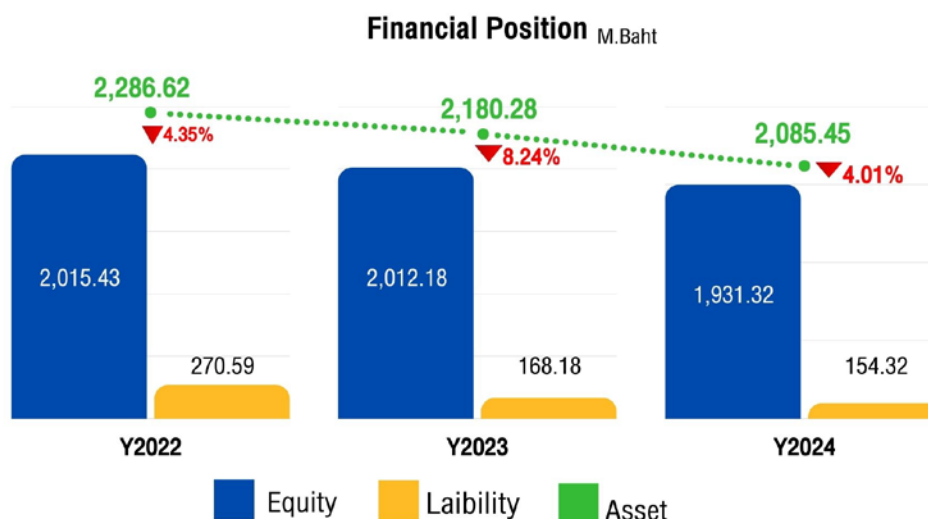
sales may be suspended temporarily probably together with other acceleration measures to be taken. However, if there is a tendency that the debt may not be collected in full, 25% of total overdue debt value will be set aside as allowance. In case of accounts that cannot be contacted, legal actions will be taken and 50% of total overdue debt value will be set aside as allowance for doubtful accounts.

2. In case of trade accounts with over 6 months up to 1 year of overdue receivables, who are still contactable and show intention to pay, 50% of the total overdue debt value will be set aside as allowance for doubtful accounts. However, if there is a tendency that the customers cannot be reached, or show intention to avoid payment, or are under prosecution and possibly be unable to pay the debt in full, 75% of the total overdue debt value will be set aside as allowance for doubtful accounts. In the worst case, if the debt could possibly be completely uncollectable, 100% allowance will be set aside.

3. In all cases of trade accounts with over 1 year of overdue receivables, 100% allowance will be set aside.

❖ Property, Plants and Equipment

Property, building, and equipment - net at the end of 2024 amounted to 636.31 million Baht, which increased of Bt. 6.98 million or 1.11% from 2023, during the year the Company had invest in machine, Warehouse in Nakornratchasima and equipment for transport operation. However, its decrease of depreciation for the company and its subsidiaries.



➤ Liabilities

At the end of 2024, the company had total liabilities of 154.32 million Baht, comprising of current liabilities of 114.86 million Baht and non-current liabilities of 39.46 million baht. The total liabilities was decreased by Bt. 13.86 million or 8.24% when compared to previous year which was mainly due to repayment of loans from financial institutions.

➤ Equity

At the end of 2024, the company had equity of Bt. 1,931.13 million, or approximately 92.60% of total assets. The return on equity was 1.18%, cause of the Company's net profit and the factors mentioned above.

Liquidity

| Unit: Million Baht | 2024 | 2023 | % Change | 2022 |
|---|----------|----------|----------|---------|
| cash provided from operating activities | 64.23 | 101.38 | -36.6% | 322.48 |
| Cash flows from investing activities | (59.17) | (36.84) | -60.6% | (90.33) |
| Cash flows from financing activities | (106.39) | (317.38) | 66.5% | 13.52 |
| Net increase in cash and cash equivalents | (101.59) | (253.40) | 59.9% | 242.70 |

In 2024, the company's net cash profit from operating activities amounted to Bt. 64.23 million before corporate income tax of Bt. 29.77 million. The net profit of cash received (paid) from the operation, most of which was from an adjustment the impact of depreciation of 59.18 million Baht.

As a result, there were cash flow from operations before changes in operating assets and liabilities of Bt. 98.19 million. Main adjusting od the changes in assets and liabilities, increased on trade receivables of Baht 41.50 million, decreased of deposits for payment of goods of 13.33 million Baht, increased on cash received from operating activities with inventories of Baht 49.19 million. There were interest expenses and corporate income tax of Baht 0.76 million and 28.71 million, respectively.

Meanwhile, the company had net cash provided from used in investing activities of Bt. 59.17 million and net cash used in financing activities of Bt. 106.39 million, which was due to the dividend payment of Baht 104.50 million. This resulted the decrease in cash and cash equivalents in 2024 by Bt. 101.59 million. Hence, cash and cash equivalents as of December 31, 2024, amounted to Bt. 240.30 million.

When considering the liquidity ratio in 2024, it is approximately 12.46 times and the quick ratio is about 5.39 times, cause of the Company has none of loan from financial institution and cash flow sufficient for operations.

➤ Capital Structure

The company's capital structure in 2022-2024 has a debt-to-equity ratio of approximately 0.13, 0.08 times and 0.08 times respectively. Considering past performance, the ratio shows that the company has a stable financial position.



Statement of Financial Position

| Item | Separate Financial Statements | | | | | | Consolidated Financial Statements | | | | | |
|---|-------------------------------|----------------|-----------------|----------------|-----------------|----------------|-----------------------------------|----------------|-----------------|----------------|-----------------|----------------|
| | 2022 | | 2023 | | 2024 | | 2022 | | 2023 | | 2024 | |
| | Thousand Baht | Ratio | Thousand Baht | Ratio | Thousand Baht | Ratio | Thousand Baht | Ratio | Thousand Baht | Ratio | Thousand Baht | Ratio |
| Assets | | | | | | | | | | | | |
| Cash and Cash Equivalents | 587.36 | 13.85% | 320.72 | 14.96% | 232.07 | 11.47% | 595.29 | 26.04% | 341.89 | 15.68% | 240.30 | 11.52% |
| Trade and Other Receivables – Net | 347.05 | 17.16% | 350.42 | 16.35% | 376.99 | 18.64% | 328.16 | 14.36% | 338.79 | 15.54% | 378.83 | 18.17% |
| Inventories – Net | 638.82 | 43.29% | 790.09 | 36.87% | 717.56 | 35.48% | 652.00 | 28.52% | 809.68 | 37.14% | 751.99 | 36.06% |
| Deposits for Goods | 19.51 | 0.02% | 28.13 | 1.31% | 68.83 | 3.40% | 19.51 | 0.85% | 18.58 | 0.85% | 31.90 | 1.53% |
| Short-term Loans and Interest Receivable – Subsidiaries | 65.92 | 0.73% | 69.42 | 3.24% | 62.93 | 3.11% | - | - | - | - | - | - |
| Refundable Value Added Tax | 7.62 | 0.34% | 4.72 | 0.22% | - | - | 7.62 | 0.33% | 4.72 | 0.22% | 6.69 | 0.32% |
| Refundable Income Tax | 1.75 | 0.08% | 1.75 | 0.08% | 14.38 | 0.71% | 10.14 | 0.44% | 4.91 | 0.23% | 16.82 | 0.81% |
| Other Current Assets | 3.04 | 0.10% | 3.52 | 0.16% | 3.68 | 0.18% | 5.13 | 0.23% | 15.87 | 0.73% | 4.95 | 0.24% |
| Total Current Assets | 1,671.07 | 75.14% | 1,568.77 | 73.20% | 1,476.44 | 72.99% | 1,617.85 | 70.77% | 1,534.44 | 70.38% | 1,431.48 | 68.64% |
| Investments in Subsidiaries | 216.77 | 9.09% | 216.77 | 10.11% | 216.77 | 10.72% | - | - | - | - | - | - |
| Long-term Loans – Subsidiaries | 9.40 | 0.53% | 9.40 | 0.44% | 9.40 | 0.46% | - | - | - | - | - | - |
| Land, Buildings, and Equipment – Net | 277.82 | 11.68% | 274.97 | 12.83% | 259.07 | 12.81% | 639.05 | 27.95% | 629.33 | 28.86% | 636.31 | 30.51% |
| Right-of-use Assets – Net | 73.29 | 3.37% | 71.40 | 3.33% | 59.34 | 2.93% | 8.98 | 0.39% | 11.79 | 0.54% | 12.88 | 0.62% |
| Investment Properties – Net | - | - | - | - | - | - | 0.93 | 0.04% | 0.60 | 0.03% | 0.26 | 0.01% |
| Intangible Assets – Net | 0.68 | 0.08% | 0.37 | 0.02% | 0.15 | 0.01% | 0.81 | 0.04% | 0.44 | 0.02% | 0.18 | 0.01% |
| Goodwill | - | - | - | - | - | - | 15.09 | 0.66% | - | - | - | - |
| Bank Deposits with Restrictions on Use | - | 0.04% | - | - | - | - | - | - | - | - | - | - |
| Deferred Tax Assets | - | - | - | - | - | - | 1.01 | 0.05% | 2.29 | 0.11% | 1.64 | 0.08% |
| Other Non-current Assets | 1.50 | 0.06% | 1.49 | 0.07% | 1.50 | 0.07% | 2.30 | 0.10% | 1.39 | 0.06% | 2.70 | 0.13% |
| Total Non-current Assets | 579.46 | 24.86% | 574.40 | 26.80% | 546.23 | 27.01% | 668.17 | 29.23% | 645.84 | 29.62% | 653.97 | 31.36% |
| Total Assets | 2,250.53 | 100.00% | 2,143.17 | 100.00% | 2,022.67 | 100.00% | 2,286.02 | 100.00% | 2,180.28 | 100.00% | 2,085.45 | 100.00% |

| Items | Separate Financial Statements | | | | | | Consolidated Financial Statements | | | | | |
|--|-------------------------------|----------------|-----------------|----------------|-----------------|----------------|-----------------------------------|----------------|-----------------|----------------|-----------------|----------------|
| | 2022 | | 2023 | | 2024 | | 2022 | | 2023 | | 2024 | |
| | Thousand Baht | Ratio | Thousand Baht | Ratio | Thousand Baht | Ratio | Thousand Baht | Ratio | Thousand Baht | Ratio | Thousand Baht | Ratio |
| Liabilities and Shareholders' Equity | | | | | | | | | | | | |
| Short-term Borrowings from Financial Institutions | 150.00 | 6.67% | - | - | - | - | 150.00 | 6.56% | - | - | - | - |
| Trade Payables and Other Payables | 50.19 | 2.23% | 84.84 | 3.96% | 69.79 | 3.45% | 46.04 | 2.01% | 78.52 | 3.60% | 60.00 | 2.88% |
| Current Portion of Long-term Lease Liabilities | 5.39 | 0.24% | 5.83 | 0.27% | 6.87 | 0.34% | 1.34 | 0.06% | 1.58 | 0.07% | 2.19 | 0.11% |
| Employee Benefits Payable | - | - | 2.54 | 0.12% | 0.23 | 0.01% | - | - | 2.54 | 0.12% | 0.61 | 0.03% |
| Corporate Income Tax Payable | - | - | 6.88 | 0.32% | - | - | - | - | 6.88 | 0.32% | - | - |
| Sales Tax Payable | - | - | - | - | - | - | 0.23 | 0.01% | 0.80 | 0.04% | - | - |
| Accrued Expenses | 25.32 | 1.13% | 28.91 | 1.35% | 30.93 | 1.53% | 31.77 | 1.39% | 36.47 | 1.67% | 40.60 | 1.95% |
| Other Current Liabilities | 4.35 | 0.19% | 5.16 | 0.24% | 8.89 | 0.44% | 5.93 | 0.26% | 7.23 | 0.33% | 11.46 | 0.55% |
| Total Current Liabilities | 235.25 | 10.46% | 134.16 | 6.26% | 116.71 | 5.77% | 235.31 | 10.29% | 134.02 | 6.15% | 114.86 | 5.51% |
| Net Long-term Lease Liabilities | 72.16 | 3.21% | 70.99 | 3.31% | 58.72 | 2.90% | 2.88 | 0.13% | 5.95 | 0.27% | 6.95 | 0.33% |
| Employee Benefits Obligations | 16.99 | 0.76% | 13.84 | 0.65% | 16.20 | 0.80% | 19.09 | 0.84% | 18.24 | 0.84% | 20.75 | 0.99% |
| Net Deferred Income Tax Liabilities | 4.67 | 0.21% | 2.18 | 0.10% | 0.41 | 0.02% | 13.31 | 0.57% | 9.96 | 0.46% | 11.76 | 0.56% |
| Total Non-Current Liabilities | 93.82 | 4.18% | 87.01 | 4.06% | 75.33 | 3.72% | 35.28 | 1.54% | 34.15 | 1.57% | 39.46 | 1.89% |
| Total Liabilities | 329.07 | 14.64% | 221.17 | 10.32% | 192.04 | 9.49% | 270.59 | 11.83% | 168.17 | 7.71% | 154.32 | 7.40% |
| Registered Capital: 549,997,741 shares | 550.00 | 24.44% | 550.00 | 25.66% | 550.00 | 27.19% | 550.00 | 24.06% | 550.00 | 25.23% | 550.00 | 26.37% |
| Issued and Paid-up Capital: Common Shares: 549,995,954 shares | 550.00 | 24.44% | 550.00 | 5.66% | 550.00 | 27.19% | 550.00 | 24.06% | 550.00 | 25.23% | 550.00 | 26.37% |
| Premium on Common Shares | 121.76 | 5.41% | 121.76 | 5.68% | 121.76 | 6.02% | 121.76 | 5.33% | 121.76 | 5.58% | 121.76 | 5.84% |
| Retained Earnings – Appropriated for Legal Reserves | 55.00 | 2.44% | 55.00 | 2.57% | 55.00 | 2.72% | 55.00 | 2.41% | 55.00 | 2.52% | 55.00 | 2.64% |
| - Not Yet Appropriated | 1,150.32 | 51.10% | 1,150.86 | 53.70% | 1,059.49 | 52.38% | 1,272.46 | 55.66% | 1,268.18 | 58.17% | 1,187.26 | 56.93% |
| Other components of shareholders' equity | 44.38 | 1.97% | 44.38 | 2.07% | 44.38 | 2.19% | 18.61 | 0.81% | 19.80 | 0.91% | 20.10 | 0.96% |
| Non-controlling Interest in Subsidiaries | - | - | - | - | - | - | (2.40) | (0.10%) | (2.63) | (0.12%) | (2.99) | (0.14%) |
| Total Shareholders' Equity | 1,921.46 | 85.36% | 1,922.00 | 89.68% | 1,830.63 | 90.51% | 2,015.43 | 88.17% | 2,012.11 | 92.29% | 1,931.13 | 92.60% |
| Total Liabilities and Shareholders' Equity | 2,250.53 | 100.00% | 2,143.17 | 100.00% | 2,022.67 | 100.00% | 2,286.02 | 100.00% | 2,180.28 | 100.00% | 2,085.45 | 100.00% |



Statement of Comprehensive Income

| | Separate Financial Statements | | | | | | Consolidated Financial Statements | | | | | |
|--|-------------------------------|----------------|-----------------|--------------|-----------------|--------------|-----------------------------------|----------------|-----------------|--------------|-----------------|--------------|
| | 2022 | | 2023 | | 2024 | | 2022 | | 2023 | | 2024 | |
| | amount | ratio | amount | ratio | amount | ratio | amount | ratio | amount | ratio | amount | ratio |
| Revenue from Sales | 6,462.13 | 97.72% | 6,502.31 | 97.93% | 7,163.43 | 97.93% | 6,554.45 | 97.70% | 6,632.00 | 97.88% | 7,286.54 | 97.84% |
| Revenue from By-products | 150.55 | 2.28% | 137.28 | 2.07% | 151.51 | 2.07% | 154.52 | 2.30% | 143.34 | 2.12% | 160.51 | 2.16% |
| Total Revenue | 6,612.68 | 100% | 6,639.59 | 100% | 7,314.94 | 100% | 6,708.97 | 100% | 6,775.34 | 100% | 7,447.05 | 100% |
| Cost of Sales | (6,529.44) | (98.74%) | (6,250.44) | (94.14%) | (7,037.83) | (96.21%) | (6,601.39) | (98.40%) | (6,351.66) | (93.75%) | (7,127.89) | (95.71%) |
| Gross Profit | 83.24 | 1.26% | 389.15 | 5.86% | 277.11 | 3.79% | 107.58 | 1.60% | 423.68 | 6.25% | 319.16 | 4.29% |
| Interest Income | 4.11 | 0.06% | 8.16 | 0.12% | 9.40 | 0.13% | 2.03 | 0.03% | 3.62 | 0.05% | 4.52 | 0.06% |
| Gain from Foreign Exchange | 10.93 | 0.17% | - | - | 10.76 | 0.15% | - | - | - | - | 5.93 | 0.08% |
| Other Income | 45.29 | 0.68% | 47.20 | 0.71% | 51.18 | 0.70% | 42.28 | 0.63% | 40.39 | 0.60% | 43.98 | 0.59% |
| Selling Expenses | (143.57) | (2.17%) | (158.35) | (2.38%) | (216.99) | (2.97%) | (147.41) | (2.20%) | (163.06) | (2.41%) | (223.30) | (3.00%) |
| Administrative Expenses | (90.45) | (1.37%) | (110.53) | (1.66%) | (111.79) | (1.53%) | (107.36) | (1.60%) | (111.10) | (1.64%) | (119.77) | (1.61%) |
| Loss from Foreign Exchange | - | - | (1.10) | (0.02%) | - | - | (20.23) | (0.30%) | (12.09) | (0.18%) | - | - |
| Impairment Loss on Goodwill | - | - | - | - | - | - | - | - | (15.09) | (0.22%) | - | - |
| Profit Before Financial Costs | (90.44) | (1.37%) | 174.53 | 2.63% | 19.67 | 0.27% | (123.12) | (1.83%) | 166.35 | 2.46% | 30.52 | 0.41% |
| Finance Costs - Interest Expense | (4.39) | (0.07%) | (3.76) | (0.06%) | (3.73) | (0.05%) | (0.58) | (0.01%) | (0.26) | (0.00%) | (0.75) | (0.01%) |
| Profit Before Income Tax | (94.83) | (1.43%) | 170.77 | 2.57% | 15.94 | 0.22% | (123.70) | (1.84%) | 166.09 | 2.45% | 29.77 | 0.40% |
| Income Tax Expense | 0.16 | 0.00 | (7.18) | (0.11%) | (2.81) | (0.04%) | 0.63 | 0.01% | (6.28) | (0.09%) | (6.55) | (0.09%) |
| Profit for the Year | (94.67) | (1.43%) | 163.59 | 2.46% | 13.13 | 0.18% | (123.07) | (1.83%) | 159.81 | 2.36% | 23.22 | 0.31% |
| Other Comprehensive Income | | | | | | | | | | | | |
| Items to be reclassified to profit or loss in the future | | | | | | | | | | | | |
| Translation adjustment for foreign currency Financial Statements | | | - | - | - | - | (4.33) | (0.06%) | 1.22 | 0.02% | 0.31 | 0.00% |
| Total Comprehensive Income for the Year | (94.67) | (1.43%) | 163.59 | 2.46% | 13.13 | 0.18% | (127.39) | (1.90%) | 161.67 | 2.39% | 23.52 | 0.32% |
| Total Comprehensive Income (Loss) Attributable to the Company | (94.67) | (1.43%) | 163.59 | 2.46% | 13.13 | 0.18% | (126.43) | (1.88%) | 161.91 | 2.39% | 23.88 | 0.32% |
| Earnings Per Share (EPS) | (0.17) | | 0.30 | | 0.02 | | (0.23) | | 0.29 | | 0.04 | |

| | Separate Financial Statements | | | Consolidated Financial Statements | | |
|--|-------------------------------|--------------|--------------|-----------------------------------|---------------|--------------|
| | 2022 | 2023 | 2024 | 2022 | 2023 | 2024 |
| Cash Flow from Operating Activities | | | | | | |
| Profit before Income Tax | -94.83 | 170.77 | 15.94 | -123.70 | 166.09 | 29.77 |
| Adjust Profit before Income Tax to Cash from Operating Activities | | | | | | |
| Allowance (Reversal) for Doubtful Accounts | -0.63 | 13.09 | 8.77 | -0.72 | -1.06 | 1.46 |
| Reversal of Loss on Inventory Impairment | -3.84 | -9.38 | 6.14 | -3.15 | -10.06 | 8.50 |
| Impairment Loss on Goodwill | 0.00 | 0.00 | 0.00 | 0.00 | 15.09 | 0.00 |
| Depreciation | 25.38 | 25.17 | 24.75 | 50.08 | 54.66 | 59.18 |
| Loss (Gain) from Foreign Exchange | 0.00 | 0.00 | 0.00 | -1.36 | 1.79 | 0.58 |
| Gain (Loss) from Disposal and Write-Off of Amortization | 0.85 | 0.73 | 0.31 | 0.99 | 0.72 | 0.27 |
| Employee Benefit Provision after Employment | 1.43 | 1.85 | 1.38 | 1.30 | 3.22 | 1.93 |
| Interest Income | -4.11 | -8.16 | -9.40 | -2.03 | -3.62 | -4.52 |
| Interest Expense | 4.39 | 3.76 | 3.73 | 0.58 | 0.26 | 0.76 |
| Cash Flow from Operations before Changes in Working Capital | -70.98 | 198.14 | 51.84 | -77.57 | 227.45 | 98.19 |
| Working Capital Assets (Increase) Decrease | | | | | | |
| Trade Receivables and Other Receivables | 62.95 | -16.46 | -35.34 | 36.12 | -9.57 | -41.50 |
| Inventories | 397.50 | -141.89 | 66.39 | 456.29 | -147.62 | 49.19 |
| Advance Payment for Goods | -19.07 | -8.62 | -40.70 | -19.07 | 0.93 | -13.33 |
| Refundable VAT | -7.62 | 2.90 | 4.72 | -7.62 | 2.90 | -1.97 |
| Income Tax Receivable | -1.75 | 0.00 | 1.75 | -6.21 | 5.23 | 4.91 |
| Other Current Assets | -0.62 | -0.49 | -0.16 | 2.85 | -7.59 | 10.93 |
| Other Non-Current Assets | 0.04 | 0.01 | -0.01 | -0.76 | 0.01 | -0.41 |
| Working Capital Liabilities Increase (Decrease) | | | | | | |
| Trade Payables and Other Payables | 15.23 | 34.65 | -15.05 | 15.70 | 32.37 | -18.52 |
| Accrued Expenses | -5.81 | 2.98 | 2.02 | -7.16 | 2.84 | 4.13 |
| VAT Payable | -3.57 | 0.00 | 0.00 | -3.87 | 0.57 | 0.00 |
| Other Current Liabilities | -1.27 | 0.81 | 3.74 | -0.80 | 1.30 | 3.43 |
| Payment for Employee Benefits Liabilities | 0.00 | 0.00 | -1.35 | 0.00 | -0.72 | -1.35 |
| Cash Received (Paid) from Operating Activities | 365.03 | 72.03 | 37.85 | 387.90 | 108.10 | 93.70 |
| Paid Interest Expense | -4.36 | -3.78 | -3.73 | -0.56 | -0.28 | -0.76 |
| Paid Income Tax | -55.66 | -3.29 | -25.84 | -64.86 | -6.44 | -28.71 |
| Net Cash Provided by Operating Activities | 305.01 | 64.96 | 8.28 | 322.48 | 101.38 | 64.23 |

| | Separate Financial Statements | | | Consolidated Financial Statements | | |
|---|-------------------------------|----------------|----------------|-----------------------------------|----------------|----------------|
| | 2565 | 2566 | 2567 | 2565 | 2566 | 2567 |
| Cash Flow from Investing Activities | | | | | | |
| Interest received | 4.11 | 8.16 | 9.39 | 2.03 | 3.62 | 4.51 |
| Purchase of property and equipment | -17.59 | -15.13 | -2.11 | -93.50 | -40.75 | -63.88 |
| Cash received from sale of equipment | 0.00 | 0.29 | 0.17 | 0.09 | 0.29 | 0.20 |
| Purchase of intangible assets | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Decrease in restricted bank deposits | 1.05 | 0.00 | 0.00 | 1.05 | 0.00 | 0.00 |
| Repayment of short-term loans to subsidiaries | 3.29 | 9.00 | 35.50 | 0.00 | 0.00 | 0.00 |
| Increase in loans to subsidiaries | -48.50 | -12.50 | -29.00 | 0.00 | 0.00 | 0.00 |
| Cash Flow from Financing Activities | -57.64 | -10.18 | 13.95 | -90.33 | -36.84 | -59.17 |
| Decrease in short-term borrowings from financial institutions | | | | | | |
| Repayment for short-term loans from financial institutions | 150.00 | -150.00 | 0.00 | 150.00 | -150.00 | 0.00 |
| Repayment of lease liabilities | -5.39 | -6.42 | -6.38 | -1.48 | -2.38 | -1.89 |
| Dividend payments | -135.00 | -165.00 | -104.50 | -135.00 | -165.00 | -104.50 |
| Net cash used in financing activities | 9.61 | -321.42 | -110.88 | 13.52 | -317.38 | -106.39 |
| Adjustments from foreign currency translation of financial statements | 0.00 | 0.00 | 0.00 | -2.97 | -0.56 | -0.26 |
| Net increase (decrease) in cash and cash equivalents | 256.98 | -266.64 | -88.65 | 242.70 | -253.40 | -101.59 |
| Cash and cash equivalents at the beginning of the year | 330.38 | 587.36 | 320.72 | 352.59 | 595.29 | 341.89 |
| Cash and cash equivalents at the end of the year | 587.36 | 320.72 | 232.07 | 595.29 | 341.89 | 240.30 |

| Financial Ratios | Separate Financial Statements | | | Consolidated Financial Statements | | |
|--|-------------------------------|-------|--------|-----------------------------------|--------|--------|
| | 2565 | 2566 | 2567 | 2565 | 2566 | 2567 |
| Liquidity Ratio | | | | | | |
| Liquidity Ratio (times) | 7.10 | 11.69 | 12.65 | 6.88 | 11.45 | 12.46 |
| Quick Liquidity Ratio (times) | 3.97 | 5.00 | 5.22 | 3.92 | 5.08 | 5.39 |
| Cash Liquidity Ratio (times) | 1.64 | 0.35 | 0.07 | 1.70 | 0.76 | 0.52 |
| Accounts Receivable Turnover Ratio (times) | 16.80 | 19.04 | 20.11 | 19.40 | 20.32 | 20.75 |
| Average Collection Period (days) | 21.00 | 19.00 | 18.00 | 18.82 | 18.00 | 17.00 |
| Inventory Turnover Ratio (times) | 14.43 | 16.59 | 18.72 | 13.69 | 16.51 | 18.29 |
| Average Days to Sell Inventory (days) | 25.00 | 22.00 | 19.00 | 26.00 | 22.00 | 20.00 |
| Accounts Payable Turnover Ratio (times) | 153.34 | 92.58 | 91.03 | 173.11 | 77.76 | 102.91 |
| Days Payable Outstanding (days) | 2.00 | 4.00 | 4.00 | 2.00 | 5.00 | 3.00 |
| Cash Cycle (days) | 44.00 | 37.00 | 33.00 | 43.00 | 35.00 | 34.00 |
| | | | | | | |
| Gross Profit Margin (%) | 1.26 | 5.86 | 3.79 | 1.60 | 6.25 | 4.29 |
| Operating Profit Margin (%) | -1.43 | 2.51 | 0.27 | -1.84 | 2.46 | 0.41 |
| Other Profit Margin (%) | 0.90 | 0.83 | 0.97 | 0.66 | 0.65 | 0.73 |
| Cash Profit Margin (%) | -321.64 | 39.05 | 42.07 | -260.70 | 60.94 | 210.41 |
| Net Profit Margin (%) | -1.42 | 2.44 | 0.18 | -1.82 | 2.34 | 0.31 |
| Return on Equity (%) | -4.65 | 8.51 | 0.70 | -5.69 | 7.94 | 1.18 |
| | | | | | | |
| Return on Assets (%) | -4.08 | 7.45 | 0.63 | -5.19 | 7.16 | 1.09 |
| Return on Fixed Assets (%) | -24.90 | 68.30 | 14.19 | -11.85 | 33.82 | 13.02 |
| Asset Turnover Ratio (times) | 2.88 | 3.05 | 3.55 | 2.85 | 3.05 | 3.52 |
| | | | | | | |
| Debt to Equity Ratio (times) | 0.17 | 0.12 | 0.10 | 0.13 | 0.08 | 0.08 |
| Interest Coverage Ratio (times) | 526.70 | 20.18 | 3.98 | -212.64 | 408.80 | 94.50 |
| Debt Servicing Capacity Ratio (Cash Basis) (times) | 1.10 | 0.18 | 0.04 | 1.05 | 0.28 | 0.29 |
| Dividend Payout Ratio (%) | n/a | 73.97 | 460.85 | n/a | 75.71 | 260.58 |
| Per Share Information 1/ - Information from financial statements | | | | | | |
| Book Value per Share (Baht) | 3.49 | 3.49 | 3.33 | 3.66 | 3.66 | 3.51 |
| Earnings Per Share (EPS) (Baht) | -0.17 | 0.30 | 0.02 | -0.23 | 0.29 | 0.04 |

Securities of the Company

| | | |
|--------------------|---|--------------------|
| Registered Capital | : | 549,997,741 Baht |
| Paid-up Capital | : | 549,995,954 Baht |
| Common Shares | : | 549,995,954 Shares |
| Par Value | : | 1 Baht per Share |

Shareholding Structure as of 10 March 2025

| No. | Name | Number of Shares | % of Total Shares |
|--------------|----------------------------|--------------------|-------------------|
| 1 | Mr. Sombat Leeswadtrakul | 136,605,654 | 24.84 |
| 2 | Mr. Sangrung Nitipawachon | 32,019,995 | 5.82 |
| 3 | Mr. Preeda Wongsatitporn | 24,636,881 | 4.48 |
| 4 | Ms. Bunsri Panyapiamsak | 16,959,004 | 3.08 |
| 5 | Ms. Umporn Nitipawachon | 16,897,482 | 3.07 |
| 6 | Ms. Sivaporn Nitipawachon | 16,769,636 | 3.05 |
| 7 | Mr. Sunt Amornlertvimarn | 16,647,856 | 3.03 |
| 8 | Mr. Vichian Srimunintnimit | 16,600,000 | 3.02 |
| 9 | Ms. Suporn Nitipawachon | 15,121,139 | 2.75 |
| 10 | Mr. Tanatat Chavaldith | 14,479,151 | 2.63 |
| Total | | 306,736,798 | 55.77 |

Major shareholders who have influence over the company's policy and operations.

| No. | Name | Number of Shares | % of Total Shares |
|----------|------------------------------|--------------------|-------------------|
| 1 | Leeswadtrakul group | 160,147,776 | 29.12 |
| | Mr. Sombat Leeswadtrakul | 136,844,354 | 24.84 |
| | Miss Supatsara Leeswadtrakul | 12,222,222 | 2.22 |
| | Mr. Varuth Leeswadtrakul | 11,319,900 | 1.68 |
| 2 | Nitipawachon group | 96,329,597 | 17.51 |
| | Mr. Sangrung Nitipawachon | 32,019,995 | 5.82 |
| | Ms. Umporn Nitipawachon | 16,897,482 | 3.07 |
| | Ms. Sivaporn Nitipawachon | 16,769,139 | 3.05 |
| | Ms. Suporn Nitipawachon | 15,121,139 | 2.75 |
| | Ms. Chonlada Nitipawachon | 7,020,812 | 1.28 |
| | Ms. Chonsita Vachaphunjit | 1,256,885 | 0.23 |
| | Ms. Punyavee Nitipawachon | 2,294,000 | 0.42 |
| | Ms. Gunyamanee Nitipawachon | 1,956,966 | 0.36 |
| | Ms. Paliika Nitipawachon | 1,837,022 | 0.33 |
| | Mr. Jirayu Nitipawachon | 1,155,660 | 0.21 |

| No. | Name | Number of Shares | % of Total Shares |
|----------|----------------------------|-------------------|-------------------|
| 3 | Punyapiamsak group | 37,385,778 | 6.80 |
| | Ms. Bunsri Panyapiamsak | 16,959,004 | 3.08 |
| | Mr. Vichai Panyapiamsak | 5,775,000 | 1.50 |
| | Mr. Sombat Panyapiamsak | 8,239,000 | 1.05 |
| | Ms. Boonchuay Panyapiamsak | 3,695,900 | 0.67 |
| | Mr. Somporn Panyapiamsak | 2,500,074 | 0.45 |
| | Mr. Lalita Panyapiamsak | 216,800 | 0.04 |

Issuance of Other Securities

-None-

Dividend Policy

The company has a dividend policy to pay no less than 40% of the net profit after corporate income tax, as per the separate financial statements, and after deducting the legal reserve and other reserves as defined by the company. However, the dividend payment may be subject to change depending on the financial position, operational results, investment plans, and other necessary and appropriate factors in the future, as deemed appropriate by the board of directors and/or the company's shareholders.

Subsidiaries have a dividend policy to pay no less than 40% of the net profit after corporate income tax, as per their separate financial statements, and after deducting the legal reserve and other reserves as defined by the subsidiary. Similarly, the dividend payment may change based on the financial position, operational results, investment plans, and other necessary and appropriate factors in the future, as deemed appropriate by the subsidiary's board of directors and/or its shareholders.

Comparative information on dividend payments in the previous years.

| Separate Financial Statements | 2023 | 2022 | 2021 |
|---------------------------------------|--------|--------|--------|
| Net Profit (Million Baht) | 163.59 | -94.67 | 712.07 |
| Basic Earnings Per Share (Baht/Share) | 0.30 | -0.17 | 1.42 |
| Dividend per Share (Baht/Share) | 0.22 | 0.20 | 0.57 |
| Total Dividend Paid (Million Baht) | 121 | 110 | 285 |
| Dividend Payout Ratio (Percentage) | 73.96 | n/a | 40.02 |

Legal Disputes

As of December 31, 2024, the company and its subsidiaries do not have any unresolved legal disputes that could have an impact on the company's assets exceeding 5% of shareholders' equity. Furthermore, there are no disputes that significantly affect the business operations of the company and its subsidiaries.

General Information



| | | |
|--------------------------------|---|---|
| Company Name | : | 2S Metal Public Company Limited |
| Symbol | : | 2S |
| Registration Number | : | 0107551000100 |
| Nature of Business | : | Producer of formed steel and procurement of steel products for distribution, herewith the suitable locations of warehouses covering the country to meet the customer impressively. |
| Registered capital | : | 549,997,741 Baht |
| Paid-up capital | : | 549,995,954 Baht |
| Shares type | : | Ordinary shares 549,995,954 |
| Par Value | : | 1 Baht per share |
| Head Office and Plant Location | : | No. 8/5 Moo 14, Tha-chang, Bangklam District, Songkhla 90110 Tel: 074-800111 Fax: 074-801286 |
| Website | : | www.ss.co.th |
| Warehouse -Surathani | : | No. 24/19 Moo 4, Karnjanavithi Road, Bangkok, Muang District, Suratthani 84000 Tel : 077-289957-8 Facsimile : 077-224664 |
| Warehouse -Bangkok | : | No. 200 Phutthamonthon 3 rd., NongKhangPhlu, NongKhaem, Bangkok 10160 Tel: 082-7349461-3 Facsimile: 02-8075634 |
| Korat Branch | : | No. 147 Moo 9, Nong-Ngulueam, ChaloenPhraKiat, Nakhonratchasima, 30000 Telephone : 044-207247-51 Fax : 044-207272 |
| Board Office | : | No. 1788 Singha Complex (Regus) Flr 30th, New Pethburi Rd., Bangapi, Huaykwang district, Bangkok 10310 Tel: 02-0883618 |
| Share Registrar | : | Thailand Securities Depository Company limited The Stock Exchange of Thailand Building 93 Ratchadaphisek Road, Din Daeng, Din Daeng, Bangkok 10400 Tel: 02- 009-9000 |
| Auditor | : | Grant Thornton Limited 11th Floor Capital Tower, All Seasons Place, no. 87/1 Wireless Rd. Lumpini, Pathumwan, BKK10330 Tel. 02-2058222 Mr. Paisaarn Boonsirisukapong CPA. No. 5216 Miss Kesanee Srathongpool CPA. No. 9262 Miss Luxsamee Deetrakulwattanapol CPA. No. 9056 Miss Saranya Akharamahaphanit CPA. No. 9919 |

พัฒนาการและการเปลี่ยนแปลงที่สำคัญ

- Year 2019 - The company has been certified as a private sector that cooperates in combatting corruption by Coalition Against Corruption (CAC)
- Year 2021 - The company is now enlisted in SET in order to stabilize the business and provide opportunities for investors to hold shares in it.
- The company received the Outstanding Performance Award from SET Awards 2021
- Year 2022 - The company received the Outstanding Performance Award from SET Awards 2022 and the Outstanding CEO Awards.
- Increased registered capital to 49,999,794 Baht at par value 1.0 Baht to support the dividend payment by common stock. The Company's paid-up capital to 549,995,954 Baht.
- The company has been certified as a private sector that cooperates in combatting corruption by Coalition Against Corruption (CAC)
- Year 2023 - Neastern Steel Co.,Ltd. (subsidiaries) was certified to the Green Industrials level 1.
- Year 2024 - the Company and Neastern Steel Co.,Ltd. (subsidiaries) was certified to the Green Industrials level 1 and Level 2 respectively.

Corporate Governance Policy

The Board of Directors has reviewed together with the management to improve and set the Corporate Governance policy that have occurred by applying the principles of Good Corporate Governance 2017 (CG Code). The Corporate Governance handbook prepared for directors, executives and employee of the Company's group to knowledge and practice as the guideline. That will create value for sustainable operation furthermore kept the confidence of investors. This focus to the Corporate governance along with Environments and Sociality, taking into account "stakeholders" in both impact and value that will occur for managing important resources (Details of the practices appear in the Corporate Governance Manual on the Company's website. https://www.ss.co.th/about_th/corporate-governance_th)

Overview of Policies and Guidelines Related to The Board of Director

The Board of Directors is committed to promote business operation to be in accordance with the principles of good governance by focusing on creating benefits for shareholders, employees, and customers while taking all stakeholders and related parties into account. Therefore, corporate governance policies related to Board of Directors are implemented as follows:

- The Board of Directors will perform duties with dedication, responsibility and independence. The roles and duties between the Chairman and the Chief Executive Officer are to be clearly divided.
- The Board of Directors plays an important role in shaping visions, strategies, policies and plans as well as jointly scrutinizing important tasks and management guidelines appropriately.
- The Board of Directors must lead in having good work ethics and supervise communication for personnel to acknowledge and understand the company's code and conduct while work in parallel with the company's rules and regulations.
- The Board of Directors will jointly supervise conflict of interest and related transactions.
- The Board of Directors will arrange disclosure of the company's information in both financial related matters and non-financial related matters with accuracy, reliability, and timeliness.
- The company's shareholders will be treated equally, have the right to access information and have appropriate communication channels with the company.
- The Board of Directors must establish an appropriate recruiting procedure to recruit people in important positions. The recruiting procedures must be transparent and fair. The Board of Directors is also responsible for considering the criteria for those in the Board of Directors who are holding positions in other businesses.
- Company Directors and Executives will support effective anti-corruption operations to ensure that the management personnel realize and place importance on the implementation of the measures.

Policies and Practice Related to Shareholders and Stakeholders

Section 1 The Rights of Shareholders

The Company realizes and values fundamental rights of shareholders, both as the Company's owner and investors, such as right to buy, sell, or transfer stocks, right to receive significant information, right to receive dividend, right to attend meetings and vote, right to give opinion, right to decide in any significant matter of the Company, e.g. dividend payment.

In practice, the directors encourage the shareholders to exercise their rights by voting in shareholder's meetings regardless of whether the issue involves new appointment or removal of directors, the rights to fix directors' compensation package, the right to select and fix compensation package of external auditor or to decide on dividend payment. The shareholders have the prerogative to ask about the company's performance including information on various developments that may have an impact on the company.

The directors offer the opportunity to shareholders to exercise their full rights by disclosure the criteria and methods through the SET's SETLINK system more than 30 days which sufficient duration to propose agendas and to nominate persons to be elected as the Company directors. They can contact the company including its directors via letters or the company secretary or investor relations at the [company's website www.ss.co.th/th/contactus](http://www.ss.co.th/th/contactus) or by postal mail.

Section 2 The Equitable Treatment of Shareholders

The Annual General Meeting of Shareholders for the year 2024 will be held via electronic media only on April 23, 2024. The meeting will be broadcast from Sathorn 1 Room, 4th Floor, Q House Lumpini Building, Sathorn Tai Road. This format facilitates shareholders in exercising their rights, voting, and exchanging opinions and suggestions.

Prior Calling the Meeting

The company offers shareholders the opportunity to propose items for inclusion in the meeting agenda and to nominate individuals for election as company directors. These proposals should be submitted to the Board of Directors in advance for consideration before being included in the shareholder meeting agenda. Shareholders may also submit questions related to the meeting agenda to the Board in advance of the shareholder meeting. The company secretary will compile and present these to the Board of Directors for review and consideration in due course before the Board formally calls the Annual General Meeting.

The Board will only include proposed items in the shareholder meeting agenda if they believe the matters are beneficial to all shareholders and fall within the scope of the Board's ability to address, in compliance with applicable laws and regulations. If the Board determines that a proposal cannot be included in the meeting agenda, the company secretary will contact and explain the reasons to the shareholder who submitted the proposal.

The company previously provided shareholders with the opportunity to propose agenda items in advance by publicizing the guidelines on the company website from December 15, 2023 to January 31, 2024. However, no proposals were submitted for consideration during this period.

Organizing the Meeting

The company will organize the Annual General Meeting within four months from the end of each fiscal year. The meeting date will be notified via the SET Community Portal (SCP) on the date the directors' resolution is made. Shareholders will be notified in both Thai and English, at least 30 days in advance of the meeting date, through the company's website, allowing them to review the information prior to the meeting. A written notification will also be sent via postal mail.

For sending invitation letters to shareholders, the company has assigned Thailand Securities Depository Co., Ltd., the company's registrar, to dispatch the invitation letters 7 days prior to the meeting date. Additionally, an announcement will be published on the Company's website more than 14 days before the meeting date. Year 2024, the invitation of AGM 2024 was prepared on the website 30 days before the Meeting date.

Right of Shareholders in the Meeting

As the meeting was organized through electronic channels, shareholders will benefit from the convenience of registration and document delivery. The company has informed shareholders in advance about the conditions and details on how to register to attend the meeting. The attached document in the shareholder meeting invitation outlines the registration time for attendees, explains the proxy granting process, as well as the rights and voting methods at the meeting.

Recognizing that the modern electronic media may pose challenges for elderly shareholders who are not proficient with new technology, the company has included Proxy Form B along with the meeting invitation letter. Additionally, an e-proxy channel has been set up with the Securities Depository Center to facilitate shareholders in exercising their rights to attend the meeting, vote, or grant a proxy to another person. A proxy can be granted if documents cannot be delivered through electronic media. The company provides an explanation of the documents/evidence that shareholders or their proxies must present and/or submit when granting a proxy. English-language documents are also provided for foreign shareholders.

The company has not set any conditions that would be difficult or create obstacles for shareholders in granting a proxy. It also takes care of the stamp duty on the proxy form or pays the stamp duty via the e-proxy channel instead. Additionally, the company has identified independent directors to whom shareholders can grant a proxy to attend the meeting and vote on their behalf. This information is included in the proxy form attached to the meeting invitation letter. For Proxy Forms A and C, the company has made them available on the company website for shareholders who wish to use alternative proxy forms.

Meeting Proceeding

To facilitate shareholders, the company will use video conferencing that can process information from shareholders who have registered in advance, featuring an easy-to-use voting function. This system will quickly display details of meeting participants and the number of shares with voting rights for each agenda item.

The company has informed shareholders that they can register in advance to prevent interruptions during identity verification or signal failure. After registration, shareholders can attend the meeting all the scheduled time. The computer system will process and adjust votes based on the registration sequence of the attendees.

Before commencement of the meeting, the Chairman of the Meeting will inform the audience on the make-up of the quorum consisting of the number of attendants, the number of votes and guidelines on voting including counting. The meeting will proceed according to the order of the agenda which are informed via the invitation letter. There will not be any reshuffle of the agenda order, any addition or change without having informed the shareholders in advance.

Chairman of the meeting will act as the moderator to ensure that the meeting proceeds smoothly by arranging an appropriate time for each agenda to enable the participants to express their opinions, recommendations including fielding questions on various issues relating to the meeting. The chairman allows sufficient time for the directors

or concerned management members to clarify the questions raised by the participants. In order to respect the rights of all participants, the chairman may have to control the meeting such that there is not excessive time spent on each issue. As such, if any issue raised is not related to the meeting agenda, the clarifications may need to be made after the meeting.

Voting, when shareholders have no more questions, Chairman will announce to vote which time will notify shareholders on the screen. The result of vote is transparent because shareholders must attend the Meeting by code that receive upon registration. So there is no vote fraud and it can be verified in case of disputes later.

Preparing Minutes of the Meeting and disclosed of the Meeting decisions

The company's secretary is responsible for preparing the minutes of the meeting, which will include the date, time, quorum, and location of the shareholders' meeting. The minutes will also disclose the number of shares, shareholders, and proxies, as well as the names of the directors attending the meeting. It will outline the guidelines for vote casting and counting, the meeting agenda, and the decisions based on the votes, which will be divided into "agreed," "disagreed," or "abstained." Additionally, the minutes will include details on the questions raised by shareholders, the explanations provided by directors, and any opinions and recommendations from shareholders.

After the meeting, the company will disseminate the decisions made by the participants via the SET system. The meeting report will then be submitted to the SET and will be accessible on the company's website within 14 days after the meeting. This will allow shareholders who did not attend the meeting to stay informed and enable those who attended the meeting to review and express their opinions without having to wait until the next meeting

Section 3 The Role of Stakeholders

The Company places an importance to the right of all stakeholders, either inside stakeholders, i.e. employees and administrators, or outside stakeholders, i.e. competitors, partners, and customers. The Company realizes that support and suggestion from all stakeholders are valuable and will benefit the Company's business operation and development. We have complied with the relevant laws and

regulations for that the rights of such stakeholders are well taken care of. In addition, cooperation between the Company and each group of the stakeholders is promoted to build confidence in the Company in the following manners: (see more details on the Company's Ethic Business)

- Shareholders** : The company aims on being good representative of the shareholders in managing the business to create satisfaction to shareholders by taking into account the long term growth and in transparency of information disclosure that is reliable. The shareholders can inform or file complaint on issues that may cause damage to the company via the company's website.
- Employees** : The company is aware of the importance of the company's staff, a major asset of the company. The company will fairly appoint individuals to various positions in the company by considering the qualifications for each position, education background, experience and other necessary conditions for the job and treat to all employee equally and without discrimination as regards birth place, race, religion, sex, age, skin color, disability, status, educational institute. The Company also support their skill for work improvement and productivity to the Company. Moreover, improve the workplace to have safe working environment.
- Customers** : Manufacture and deliver products that meet standard quality. Emphasize product development and services to be of high quality with transactions done fairly and mutually beneficial for both parties. The company seriously commits to safeguard the customer's confidential information and not act to derive self-benefits from the privilege of knowing such information. All in all, it should create satisfaction and trust from the customers.
- Competitors** : Avoid unfair competition, and practice on business ethics.
- Business Partners** :The company does transactions with business partners strictly on good faith basis, abiding by the terms of the agreement and the commitment given. Its staff will not demand any favor from any business partner and will treat all of them as equal without any bias.
- Creditors** : The Company realizes that maintaining good relationship with the creditors to create confidence and trust as well as honestly following loan agreement are its responsibility.
- Community and the society** : Consistently organize activities that promote the society, community and the environment so the community nearby the company's office has a better quality of life such activities can be carried out by the company solely or in cooperation with the state and the community itself. The company cultivates in its staff a sense of responsibility to the society and environment including in efficiently and effectively using the natural resources.

Conflict of Interests

The Board of Directors has established internal guidelines to prevent anyone using internal information for personal gains in violation of business code of conduct, covering the directors, management and general staff, which forms a part of the orientation trainings for new directors, management and staff. Such code of conduct is broadcast in the company's website with the following;

1. The Board of Directors and management members must not derive gain or loss in engaging in business transaction with the company or in business transaction that is competing against the company regardless of whether directly or indirectly.
2. The Board of Directors and management members must perform their duty and avoid any conflict between personal's interest and the company's interest. He/she must declare any potential conflict of interest before entering into any transaction with the company or its subsidiaries. The above benefits include the followings: -

- Not derive personal gains from holding director position
 - Not use the company's confidential information in unlawful ways or unethical ways.
 - Not accepting a director position in a rival company.
 - Not derive personal gains from entering into a contract with the company.
3. The Board of Directors must not engage in or be a significant shareholder or having family members become a director or become a major shareholder in a company or any business that is similar to the company and competing against the company regardless of whether for own benefit or for other's benefits.
 4. Prohibit any company's staff with conflict of interest to have the authority to enter into any contract on behalf of the company in order to prevent any conflict of interest that could happen.
 5. In any meeting to consider an agenda where the participant i. e. a company's director, management member or staff has a conflict of interest with the company, that participant is not eligible to vote for that agenda.
 6. In each quarter, the Internal Audit Department will compile information on related transactions and present it in the audit committee meeting. All transaction details and transparency matters will be reported to the Board of Directors for good corporate governance.

Section 4 Disclosure and Transparency

The Company recognizes the importance of disclosing accurate, complete, and transparent information, such as financial reports and general information, in compliance with regulations set by the Securities and Exchange Commission and the Stock Exchange of Thailand. Additionally, the Company ensures that other information which may affect its stock price and influence the decision-making of stakeholders and investors is disclosed. The Company publishes related information through various channels provided by the Securities and Exchange Commission, the Stock Exchange of Thailand, and on the Company's website at www.ss.co.th.

For investor relations, Mr. Sombat Leesawadtrakul (Chairman of the Executive Committee) and Mr. Sangrung Nitipawachon (Managing Director) are responsible for communication with investors, shareholders, analysts, and relevant government sectors. For investor relations matters, the Secretary of the Company Committee is the point of contact and can be reached at phone number 02-0883618 or via email at ir@2smetal.com.

The Board of Directors is responsible for the consolidated financial statements of the Company and its subsidiaries, as well as the financial information presented in the Annual Report. These financial statements are prepared in accordance with Thai accounting standards. The Company adheres to appropriate accounting policies and provides sufficient disclosure of financial information. The Audit Committee is responsible for verifying the quality of the financial report and internal control system, as well as ensuring sufficient disclosure of important information in the Notes to the Financial Statement.

Insider Trading Prevention

The Company has drawn up policies to prohibit the company's directors and management from using unreleased information for personal gain and investment or selling purposes the following :

* The company's directors and top management were acknowledging the duties to report shareholding status including those of their spouse and minor children to the Office of the Securities and Exchange Commission and SET according to section 59 and the provision of a law according to section 275 of securities and Exchange Act B.E. 2535

* The company's directors and management is obligated to report their changing on shareholding status to the Office of the Securities and Exchange Commission and SET according to section 59 of securities and Exchange Act B.E. 2535 within 3 days after date changing.

* The company issues a circular to inform the directors and executives that any director or executive who has access to inside information that is material and could affect the price of the securities must refrain from trading the company's securities for a period of 1 month before the financial statements or such inside information is disclosed to the public. They are also prohibited from disclosing such material information to others.

The company has established disciplinary penalties for the misuse of inside information for personal gain, starting from a written warning, Salary deduction, temporary suspension without pay, to termination of employment. The penalties will be determined based on the intention behind the action and the severity of the violation.

In 2024, the company conducted training for its directors, executives, and employees, as well as those in its subsidiaries, to review the content of the policies and practices through the intranet system to ensure proper use of inside information. Additionally, the company secretary notified the temporary suspension of the company's securities trading through electronic channels 30 days in advance of the company's financial statement announcement. In the past year, no director or executive misused inside information for personal gain.

Section 5: Responsibilities of the Board of Directors

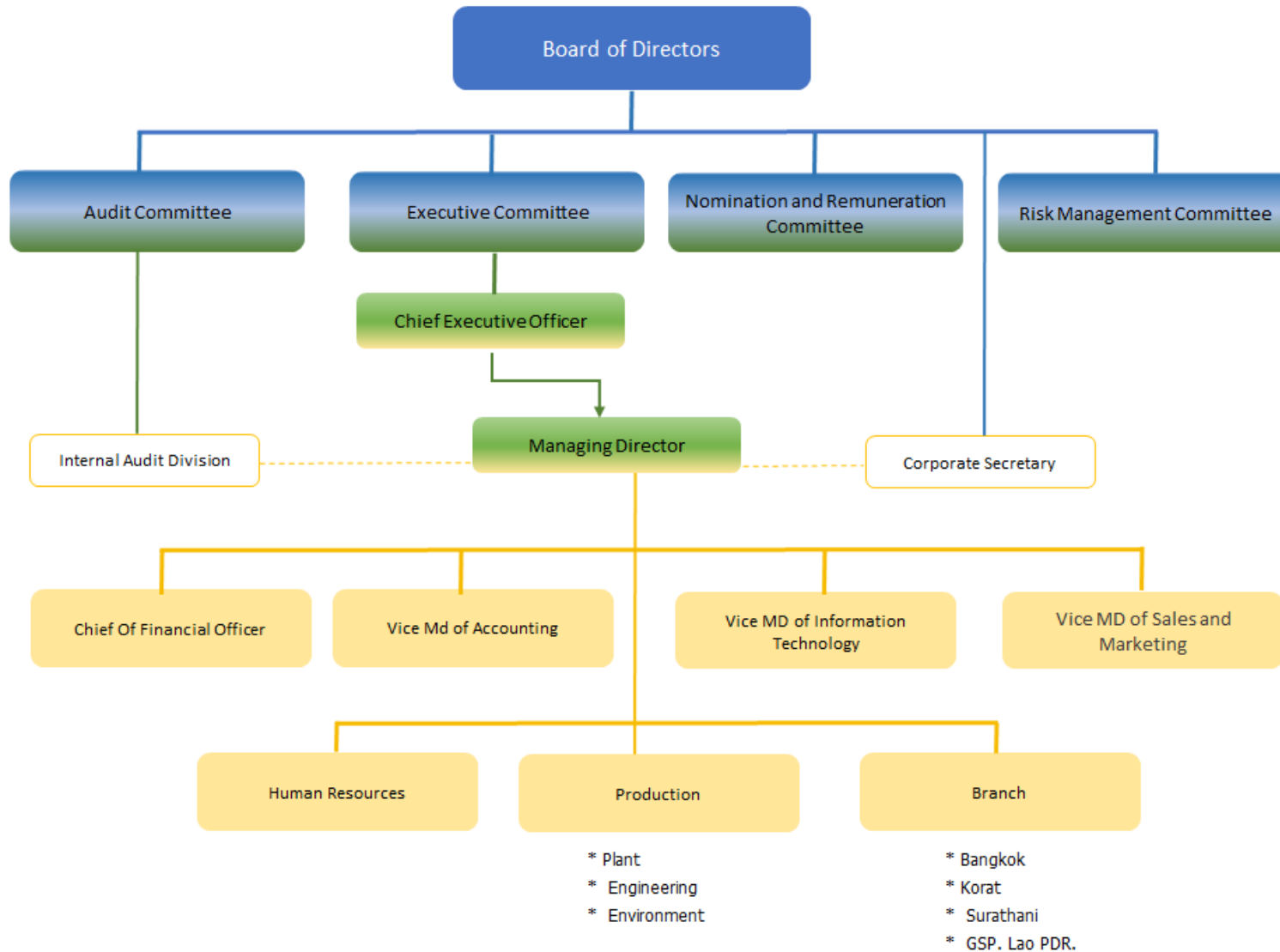
The Board of Directors understands its roles and responsibilities and is aware of its duty as leaders to oversee the organization's management to ensure it aligns with the mission, vision, and strategy to achieve its objectives, while considering the interests of all stakeholders. The details of the Board's performance and the performance of each subcommittee are presented in the section "Corporate Governance Performance Report."

Business Code of Conduct

The company has established a business code of ethics as a key component of its operations, promoting ethical business practices. This code covers compliance with the law, avoiding conflicts of interest, maintaining confidentiality, and the use of inside information. It includes the code of ethics for directors and executives, employees, and stakeholders to ensure that all stakeholders, including directors, executives, employees, business partners, and stakeholders of both the company and its subsidiaries, are informed and adhere to these principles. The company publishes the details of its policies and guidelines on its website, divided into 10 sections, which can be found at: http://www.ss.co.th/th/about_th/corporate-governance_th/code_of_conduct/.

1. Respect and comply accordance to regulation and Article
2. Respect for human rights.
3. Interest and conflict of interest.
4. Responsibility to all stakeholders.
5. Use of inside information and confidential information.
6. Intellectual property, use of information and communication technology.
7. Giving and receiving gifts, assets or any other benefits.
8. Safety, Health and Environment.
9. Internal control and internal audit.
10. Political rights.

Organization Chart



Board of Director

| As of 31 December 2024 | Board of Director | Audit Committee | Nomination and Remuneration Committee | Risk Management |
|----------------------------------|-------------------|-----------------|---------------------------------------|-------------------|
| *1. Mr. Kunchit Singсуwan | Chairman | ✓ | | |
| 2. Mr. Sombat Leeswadtrakul | ✓ | | ✓ | Chairman |
| 3. Mr. Sangrung Nitipawachon | ✓ | | | Managing Director |
| *4. Mr. Surapon Satimanont | Vice Chairman | Chairman | | |
| *5. Mrs. Chintana Techamontrikul | ✓ | ✓ | ✓ | |
| 6. Ms. Bunsri Panyapiamsak | ✓ | | | ✓ |
| *7. Gen. Phairat Phoubon | ✓ | | Chairman | |
| 8. Mr. Tanatat Chawaldit | ✓ | | | |
| 9. Mr. Preeda Wongsathitporn | ✓ | | | |
| *10. Mr. Woravit Chailimpamontri | ✓ | | ✓ | |

* Independent Director

Authorized Director

Authorized directors for company legal obligation are Mr. Sombat Leeswadtrakul or Mr. Sangrung Nitipawachon or Ms. Bunsri Panyapiamsak, any two of these 3 persons sign out accompanying with the company's seal.

Corporate Secretary

Miss Pornnica Lertithibaht

Board's Compositions

The Board of Directors consists of individuals with a wide range of skills, knowledge and abilities in different areas such as management, law, finance and accounting which all jointly supervise the operations of the company, policy formulation and organization overview. The Board also plays an important role in the auditing and evaluation of the company's performance to be in accordance with the plan. (find details in the section "The Organize Structure").

At present, the Board of Directors consists of 10 people, 8 men and 2 women. 3 of which are executive directors and 7 non- executive directors, 5 of which are qualified as independent directors. This balance results in fair voting and consideration of various business matters. The Board of Directors has appointed 3 sub-committees: Audit Committee, Executive Committee and Nomination

and Remuneration Committee to perform specific duties and propose matters to the Board of Directors for consideration or acknowledgment. Each sub-committee has the rights and duties as specified in the powers and duties of each committee. The qualifications of each committee are listed.

According to the Board Diversity and Skill Matrix structure, the company's Non- Executive Directors who have knowledge and experience in the manufacturing industry with no conflict of interest to the business are Mr. Preeda Wongsatitphon and Mr. Thanatat Chawaldit. The Directors with knowledge and experience in finance, banking and accounting include Mrs. Chintana Techamontrikul, Dr. Kanchit Singhsuwan, and Mr. Worawit Chailimpamontri. The Director will legal expertise is Mr. Suraphon Satimanon.

Definition of the Independent Director and Audit Committee

Independent Director; the Company sets the qualifications of independent director according to the principle of the SEC as follows;

1. Holding shares no more than 1% of registered and paid-in capital of the Company and related companies, including shares held by related persons of the committee members;
2. Having neither conflict of interest with the Company and related companies nor gain/lost in terms of financial or business management either in the past or at the present, as well as not being a member of independent committee in such nature as,
 - An executive director, an employee, a staff, an advisor who receives salary, or an authorized person of the Company.
 - A professional such as auditor, law consultant, financial consultant, or asset appraiser
 - Any related person that has business relationship with the Company such as buy/ sell product and service, buy/ sell assets, give/receive financial support.
3. Not being a person related by blood or registration under laws, such as father, mother, spouse, sibling, and child, including spouse of the children, executives, major shareholders, controlling persons, or persons to be nominated as executives or controlling persons of the Company and its Subsidiary;

4. Having no business relationship with the Company, the Subsidiary, or juristic person who may have conflicts of interest, in the manner which may interfere with his/ her independent judgment, and in a manner that prevents the committee member from presenting the opinion freely about the Company's operation;
5. Not being a member of the audit committee or any committee in other public companies such have type of business same the Company.

The term of Independent Directors will be as the term of Company's director, even though its over 9 years of tenure of Directorship but suitable for comment freely and perform in accordance with the relevant guidelines. Furthermore, the proportion is more than half of the total number of directors. Therefore, it counterbalances to make decisions on various matters.

Audit Committee consists of independent committee of at least 3 persons. The term of office is three years. In addition, at least one of the Independent Committee who is a member of the Audit Committee must has sufficient knowledge and experience in accounting or financing to be able to perform duty in examining the reliability of the financial statement. The Company will also consider other qualification such as business experience and expertise, and ethics as well.

Duties and Responsibilities of the Board of Director

1. Define vision, mission, operation strategy, objectives, KPIs, policy planning, operation planning, budget planning, business direction, and also developing the capable to the universal competition.
2. Monitoring and corporation to Management team or authorized person to perform their duties in accordance with the policy efficiently and effectively for highest benefit of the Company and share-holders with fair to all stakeholders and awareness the Social Responsibilities Environment and Natural Resources.
3. Arrange Board of Directors meeting at least 3 times a month, and The Annual General Meeting of Shareholder within 4 months since the ending of the Company' s fiscal year. Also to attend the Meeting unless there is the force majeure, the Chairman and Company's Secretary should be notified.
4. Responsible and authority to run their duties according to laws, objectives, and the regulations of the Company as well as the resolution of the shareholder meetings by honestly, carefully.
5. Have the authority to verify and approve policy, course and plan for large investment project of the Company as proposed by the sub-committee and/or the executives.
6. Responsible to shareholders and operate the business with the shareholders' highest benefit in mind, and make sure that information being disclosed to investors and shareholders is complete, accurate, meet required standard, and transparent.
7. To ensure the processing of Nomination and Collecting person to be the Company's Director are transparently, several qualifies match to the Company's business. To set the guidelines of Directors compensation rate to be at appropriate levels. Appoint, assign, and advise sub-committee or task force to consider or perform in such cases as the Board of Directors see fit.

8. Monitoring and Improving the Company' s Corporate Governance to be more universal for created of Sustainable business value. Supporting and to be role model for employees to perform accordance with CG, Code of Conduct and Anti-Corruption policy.
9. Set up the Risk management policy and monitoring an internal audit unit to work efficient in internal control system, risk management and reliable financial reports. Appoint the internal audit unit to cooperate with the Audit Committee.
10. Prepare the Board of Director' s Annual Report and be responsible to preparing and disclosing of financial statement to report to the shareholder meetings.
11. Monitoring and set the assessed the performant of Director every year, evaluation and review their perform in team of Directors.
12. Directors must inform the Company right away if directors have a vested interest in any contract, directly or indirectly, or hold more or less debenture of the Company or the Subsidiary.
13. Directors must inform the Company right away if directors have a vested interest in any contract, directly or indirectly, or hold more or less debenture of the Company or the Subsidiary.
14. Have the authority to consider and approve such transactions that are necessary and related to the Company or any transactions the directors see fit and bring benefit to the Company. The following activities require an approval from the shareholder meetings.
 - a) Activities that require approval from the shareholder meetings as required by relevant laws, and
 - b) Transactions that the directors may have vested interest. Such transactions require approval from the shareholder meetings as designated by relevant laws or regulations from the Stock Exchange of Thailand.

Other than that the following transactions require approval from the shareholder meetings and at least 3 out of 4 votes from shareholders who attend the meetings and have right to vote.

 - a) Selling or transferring of some significant parts or all of the Company's business to other persons.
 - b) Buying or receiving businesses from other public or private companies.
 - c) Amending or canceling contracts concerning renting out some significant parts or all the Company' s business, delegating other persons to manage the Company or merging business with other persons with the objective to share profit and loss.
 - d) Editing the memorandum or the Company's regulation
 - e) Increasing capital, decreasing capital, issuing debenture of the Company
 - f) Merging or seizing the operation.

Directors who have a vested interest or conflict of interest with the Company or the Subsidiary in any transaction will have no right to vote in such agenda.

In addition, the directors have to make sure that the Company abides to laws and regulations of the Stock Exchange of Thailand

Duties and Responsibilities of the Chairman

1. Be responsible as the Company's director and the Board of Director's leader.
2. Controlling and monitoring management' s and sub- committee' s operating to achieve the operating object.
Support and encourage the directors perform duties to the best of their ability.
3. Call the Meeting of Board Directors and/or Shareholders Meeting.
4. Be a Chairman of the Board of Directors meeting and/ or Shareholders Meeting and
5. controlling the meeting to properly and achievement.
6. Supporting directors and shareholders to express their opinions independently.

Audit Committee

| | |
|----------------------------------|-----------------------------|
| 1. Mr. Surapon Satimanont | Chairman of Audit Committee |
| 2. Mrs. Chintana Techamontrikul* | Audit Committee |
| 3. Dr. Kunchit Singsuwan | Audit Committee |

* Mrs. Chintana has knowledge and experience to review credibility of the Financial Reports.

Duties and Responsibilities of the Audit Committee

1. Check that the company has the correct financial report and sufficiently presented by coordinating with the auditors from outside, and the responsible administrators to create a financial report, including every quarter and annually. The audit committee might suggest the auditors to investigate or check any list that seems necessary and important during the account in being investigated.
2. To review and ensure the Company' s internal control and internal audit systems are appropriate and effective and consider the independence of the internal audit work unit, as well as give consent to the appointment, rotation and termination of employment of head of internal audit work unit or any other work unit in charge of internal audit function.
3. To review the Company's compliance with laws of securities and exchange, regulations of the stock exchange, and laws relating to the Company's business.
4. To consider, select and nominate independent person/party as the Company's auditor and recommend the auditing fee by thinking of the reliability, sufficient amount of resources, and amount of investigating projects of the company's account audit office.as well as have meeting with the auditor without the participation of any management member at least once a year.
5. To consider the related transactions or transactions that could create a conflict of interest is comply to law and SET regulation to ensure that transaction is reasonable and give highest benefit to the company.
6. To prepare Audit Committee report to be published in the annual report. This report must be signed by the Chairman of the Audit Committee, and must contain at least information as follow:
 - a) Comment about making process and revealing the information in the financial report of the company in a correct, complete and reliable way.
 - b) Comment about the sufficiency of the internal control system within the company.
 - c) Opinions concerning the operations according to law, including assets and stock exchange, regulation of the stock exchange or law, or law concerning the company's business.
 - d) To opinion about qualification of auditor.
 - e) The opinion about transactions that could create a conflict of interest.
 - f) Time of audit committee meeting and time attendance of each audit committee member.
 - g) Opinion or notice which audit committee had received comply to audit committee's charter.
 - h) Other relevance information which Shareholders and general investor should acknowledge.
7. To perform any other duty as assigned by the Board of Directors and with the consent of the Audit Committee.
8. To have power to examine and investigate certain issues as deemed necessary and which may materially impair the Company's financial status and operating results, comprising:
 - a) Issue that has conflict of interest.
 - b) Issue of fraud or irregularities or material defect in the internal control system.
 - c) Breach or violation of the laws of securities and exchange, regulations of the stock exchange, and laws relating to the Company's business.

If it' s necessary, Audit Committee has an authority to seek the independent opinion from the professional consultant under the Company' s expense in order to complete the mission. Audit Committee has duty to report the investigating result to the Company Board of Director in order to make an improvement within the appropriate time determined by Audit Committee.

Nomination and Remuneration Committee

| | |
|---------------------------------|---------------------------|
| 1. Gen. Phairat Phoubon | Chairman of the Committee |
| 2. Mr. Sombat Leeswadtrakul | Member |
| 3. Mrs. Chintana Techamontrikul | Member |
| 4. Mr. Woravit Chailimpamontri | Member |

Duties and Responsibilities of the Nomination & Remuneration Committee

- To determine the scope of work and method on the selection and recruitment of the Company's directors or the sub-committee whose retired by rotation or seat is vacantly for approval and/or to the shareholders' meeting, as the case may be.
- The determine necessary and appropriate compensation both in terms of money and other benefits for the directors, sub-committee's directors and the executive directors each year. The compensation proposal shall be forwarded to the Board of Directors for approval, or to the shareholders' meeting, as the case may be.
- To consider the criteria for performance appraisal in order to determine appropriate annual compensation, explaining and answering the questions regarding the directors' compensation during the shareholders' meeting.
- Arrange the meeting at least once a year, Teleconference is available to consider its matters.
- To execute any other works as assigned by the Board of Directors.

Risk Management Committee

| | |
|------------------------------|---------------------------|
| 1. Mr. Sombat Leeswadtrakul | Chairman of the Committee |
| 2. Mr. Sangrung Nitipawachon | Member |
| 3. Ms. Bunsri Panyapiamsak | Member |
| 4. Mr. Pakorn On-kaew | Member |

Duties and Responsibilities of the Risk Management Committee

Stipulated the strategics and procedure of manage the overall risks of the organization as assigned by the Board of Director for ensure that risk mitigation measures has efficient control and cover the significant risk, also to be ready for new comer risk.

The operation team shall run as policy and report the result of managing risk to the Board of Director at least once a year.

Executive Committee

| | |
|------------------------------|-------------------------------------|
| 1. Mr. Sombat Leeswadtrakul | Chairman of the Executive Committee |
| 2. Mr. Sangrung Nitipawachon | Executive Committee |
| 3. Ms. Bunsri Panyapiamsak | Executive Committee |

Duties and Responsibilities of the Executive Committee

1. Prepare and present business policy, objectives, operation plan, business plan, investment plan, and annual budget of the Company to get an approval from the Board of Directors.
 2. Follow up, manage, and monitor the Company's operation to ensure that the operation is effective and conforms to the Company's goals or business direction in order to strengthen the Company's business; screen topics to be presented to the Board for consideration; and conduct the business as assigned by the Board; as well as report the results to the Board.
 3. Supervise and monitor the Company's business operation to conform to policy, objectives, operation plan, business strategy, and budget as approved by the Board.
 4. Consider and determine organization structure and management authorization, compensation policy, and salary structure to cover all details including selection, employment, compensation and benefit, transfer, training, and layoff.
 5. Plan and screen both long-term and short-term plan to fulfill the Company's objectives and goals.
 6. Appoint or assign one person or more to conduct a business in place of the executive committee as see fit, whereas the executive committee can cancel, withdraw, change, or revise such authorization.
 7. Have the authority to approve any operation or expenses for business operation which is exceed the amount of the normal operation or the amount that the administrators can authorize according to the Company's regulations or annual budget approved by the Board.
 8. Consider regulations regarding authorization for management level and operation level which cover financing, accounting, procurement, investment, mortgage and loan, guaranty, selling and transferring of assets, signing contract or agreement, and other operation as see fit.
 9. Perform their duties as being assigned by the Board.
 10. Perform their duties according to laws, objectives, rules and regulations of the Company.
 11. Plan and screen financial management for financial relief and stronger financial structure.
 12. Plan and screen proactive public relation for good and sustainable image.
- However, approval of any transaction by the Executive Committee will not include approval of such transactions that the Executive Committee or persons who may have conflicts of interest with the Company and/or the Subsidiary; transactions that have to get consent of the shareholders for related transactions; and trading of important assets of the Company and/or the Subsidiary; to comply with laws relating to the Company's business and regulations set by the Securities and Exchange Commission and the Stock Exchange of Thailand.

Executives member

| | |
|-------------------------------------|-----------------------------------|
| 1. Mr. Sombat Leeswadtrakul | Chief Executive Officer |
| 2. Mr. Sangrung Nitipawachon | Managing Director |
| 3. Ms. Bunsri Panyapiamsak | Chief Financial Officer |
| 4. Ms. Tassanee Phunuch-Aphai | Vice MD of Sales and Marketing |
| 5. Mr. Pakorn On-Kaew | Vice MD of Accounting |
| 6. Ms. Jaruwan Janpra-ob | Vice MD of Information Technology |
| 7. Mr. Pongdech Lersithisak | Brach Manager (GSP Lao PDR) |
| 8. Ms. Kannika Anguravirote | Brach Manager (Korat) |
| 9. Mr. Teerasak Onrachorn | Plant Manager |
| 10. Ms. Pattranit Janthong Sasuthum | Human Resources Manager |

* Ms. Natcha Limpakornthanachote, Accountant

Duties and Responsibilities of the Corporate Secretary

1. Preparing and keeping the following documents:
 - a) a registered of directors;
 - b) a notice calling director meeting, a minutes of meeting of the board of directors and annual report of the company.
 - c) a notice calling shareholder meeting and minutes of the shareholders' meeting
2. Keeping a report on interest filed by a director or an executive,
3. Performing any other acts as specified in the notification of the Capital Market supervisory board

Management Remuneration

| | Y2024 | | Y2023 | |
|--------------------------------------|--------|------------------|--------|------------------|
| | Person | Amount (M. Baht) | Person | Amount (M. Baht) |
| Salary | 10 | 12.81 | 10 | 14.88 |
| Bonus | 10 | 5.27 | 10 | 5.42 |
| Other -Commission and Provident fund | 10 | 0.42 | 10 | 2.88 |
| **Allowance from Subsidiaries | | 5.61 | | 5.62 |
| Total | | 24.11 | | 28.80 |

** Only management who seat in Subsidiaries such Neistern Steel Co.Ltd., Megga Trans and Logist Col,Ltd and Grand Steel Pipe Co.,Ltd

Employee

The total of company employees as on December 31. 2024. This consists of the employee according to the working lines as follows;

| Division | No. of employees | | Division | No. of employees | |
|------------------------|------------------|-------|--------------------------------|------------------|------------|
| | Y2024 | Y2023 | | Y2024 | Y2023 |
| 1. Plant | 113 | 114 | 6. Information Technology (IT) | 22 | 20 |
| 2. Sales and Marketing | 73 | 76 | 7. The office of Committee | 1 | 1 |
| 3. Accounting | 8 | 8 | 8. Internal audit | 1 | 1 |
| 4. Financial | 3 | 3 | 9. Warehouses (4 places) | 73 | 66 |
| 5. Human Resource | 11 | 11 | รวม | 305 | 300 |

3 of Subsidiaries consisted Neastern Steel Co.,Ltd., Mega Trans and Logis Co.,Ltd. and Grand Steel Pipe Co.,Ltd. have total employee 319 persons which excluded management.

In a period of the past 3 years, The company did not have any conflict about labor

Employee's compensation of 2024

The Compensation has consisted by Salary, wages, over time, welfare benefit, bonus and provident fund etc.

| | Unit : M. Baht | |
|-------------------------------------|----------------|-------|
| | Y2024 | Y2023 |
| 2S Metal Public Company Limited | 98.52 | 80.17 |
| Neastern Steel Co.,Ltd | 38.73 | 29.74 |
| Mega Trans and Logis Co.,Ltd | 17.48 | 16.71 |
| Grand Steel Pipe Co.,Ltd. (Lao PDR) | 7.31 | 6.72 |

In addition, the company has established a provident fund as a welfare benefit for employees for stability after retirement. In 2024, there were a total of 123 employees of the company volunteering to join the fund, accounting for 1.31 million Baht in fund contribution, and 85 subsidiaries accounting for 0.48 million Baht.

Auditor's compensation

| Company | Audit fee (Baht) | Non-Audit fee* | House of Auditor |
|-------------------------------------|------------------|----------------|--|
| 2S Metal Public Company Limited | *2,050,000 | 171,487.30 | Grant Thornton Co., Ltd. |
| Neastern Steel Co.,Ltd | 332,000 | 16,606 | Grant Thornton Co., Ltd. |
| Mega Trans and Logis Co.,Ltd | 268,000 | 17,477 | Grant Thornton Co., Ltd. |
| Grand Steel Pipe Co.,Ltd. (Lao PDR) | 50,080.81 | 0.00 | TBS Accounting Consultant Service Co., Ltd |

* Non-Audit fee : certify BOI, accommodation, travel expenses, etc

Board of Director's performance summary

1. Selection of the Board of Directors and Top Executive

Director, according to the Company's regulations, at every annual general shareholder meeting, 1/3 of the directors must leave the Board. Every year the Company will invite the Company's shareholders to propose person to be elected as the Company's director which will be considered the qualification of the candidate by the Nomination and Remuneration Committee for propose the Annual General Shareholders Meeting.

1. The Board of Directors must be consist of no less than five persons and more than half of the Board members must be residences of Thailand. All of the Board members must have qualification as required by laws.
2. The directors must perform their duties according to laws, objectives, and regulations of the Company, as well as the resolutions of the shareholder meetings.
3. The Board of Directors must compose of independent committee members of no less than one third of all members and no less than three persons. The Independent Committee must hold shares no more than 1 % of the registered and paid-up capital of the Company and related companies, including shares held by related persons of the committee members. Directors who are independent committee members of other related companies must disclose such information and remuneration receiving form that company as well.
4. The shareholder meeting is responsible for appointing directors on the basis of majority votes under the following rules and methods
 - a) A shareholder shall have one vote for each share held.
 - b) Committee election can be made through an individual or a group to be committee according to shareholder meeting. To vote, no matter individual or group who the shareholder vote will be the voice according to the number of stocks that the shareholder holds under Item 1 in which the mentioned shareholder cannot divide their voices to any individual more or less than others.
 - c) Candidates shall be decided on the basis of majority of the vote cast. In case of a tie of votes, the Chairman presiding over the meeting shall have the casting vote to decide who will win the tie.
5. In case there is a vacant seat in the Board because of a particular reason other than expiration of terms, the Board shall select a person who meets qualification and qualified by laws according the Public Company Limited Act B.E. 2535 to be an acting board member for the next meeting, unless the term of the Board is less than two months. The acting board member will be in position for the remaining term of the member being replaced. The resolution of the Board of Directors must be from the vote of no less than three- fourth of the remaining members of the Board.
6. The shareholder meeting may vote to have any of the directors to leave the Board of Directors before the end of the term. The vote must be no less than three- fourth of the number of shareholders attending the meeting and having rights to vote with the total number of shares no less than half of total numbers of shares of all shareholders who attend the meeting and have rights to vote.
7. In case there is a vacant seat in the Audit committee, Board can appoint the person who meets qualification and qualified by law to replace and continuous term remaining.

Year 2024, there were 3 directors who retired by rotate. Mr. Sombat Leesawadtrakul, Mr. Sangrung Nitipawachon, General Phairat Phothiubon, and Mr. Worawit Chailimphonhi. According to the Company invited shareholders to propose suitably qualified persons to be nominated for director position in the Annual General Shareholders Meeting 2024, which had no proposing. Board of Directors agreed to the Nominated committee that 3 directors who retired by rotation have qualified suitable for being a director of the Company. Thus, the Board of directors wished to propose the AGM 2024 appointed those 3 directors who's retired by rotate to be director and independent director another term.

Nomination of Chief Executive Officer/ Managing Director The Nomination and Remuneration Committee will nominate qualified candidate with skills, competence, expertise and experience in the specific field of the Company's business, under the following criteria;

1. Have qualifications according to Section 6 8 of the Public Limited Companies Act, B. E. 2535 and notifications or regulations of the Stock Exchange of Thailand ("SET") and Office of the Securities and Exchange Commission ("SEC").

2. Have specific skills, competence and expertise and diversified experience beneficial to the efficient business operation of the Company.
3. Have personal traits that support corporate governance principles, such as be a person with morality, independence, assertiveness, creativity, prudence, honesty and full dedication to performance of duty for the Company

The Board of Directors has established a policy allowing Directors to be able to hold directorship positions in other businesses, under the conditions their positions will not affect their performance in the company and cause conflict of interest to business.

Succession of Executive Director At the monthly management meeting for discussing and exchange information, planning and strategies, will assign work to create continuity in the management.

2. Meeting of the Board of Director

The committee holds regular meetings every 3 months and additional special meetings may be held as needed with meeting dates set annually in advance. According to the company's regulations and rules and procedures prescribed by law and information security standards, meetings of the Board of Directors can be held via electronic media.

In 2024, there were 6 meetings of the Board of Directors by physical and the 2024 Annual General Meeting of Shareholders on April 23, 2024, in the form of an electronic meeting with all directors attending the Meetings

For each meeting, the company will send invitation letter together with accompanying documents not less than 3 days before the meeting date to allow the directors sufficient time to review the information, unless there is a case of urgency. Written minutes of meeting and acknowledge documents have to be compiled for future reference and examination.

The company stipulated a policy on the minimum quorum in meetings where the directors must present to vote at the meetings not less than two-thirds of the total number of directors. The Chairman of the Board who is also the chairman of the meetings will present directors with an opportunity to express their opinions freely. In some agendas, there may be senior executives and/ or independent experts attending in the meetings to provide additional useful information as stakeholders, and they will also be directly informed of the policies in order for them to be able to implement those policies effectively

In addition, 5 Independent Directors attended the Independent Director meeting on November 12, 2024, without the presence of the management to exchange opinions about the management in the past year or issues that were of interest independently and presented the discussed issues to the Board of Directors' meeting for acknowledgement.

| The Meeting 2024 | Attendance / No. of Meeting | | | | | |
|---------------------------------|-----------------------------|-----|-----|-----|-----|---------------|
| | BoD | AC | NCC | AGM | RMC | Ind. Director |
| 1. Mr. Kunchit Singсуwan | 6/6 | 4/4 | | 1/1 | | 1/1 |
| 2. Mr. Sombat Leeswadtrakul | 6/6 | - | 2/2 | 1/1 | 1/1 | - |
| 3. Mr. Sangrung Nitipawachon | 6/6 | - | - | 1/1 | 1/1 | - |
| 4. Mr. Surapon Satimanont | 6/6 | 4/4 | | 1/1 | | 1/1 |
| 5. Mrs. Chintana Techamontrikul | 6/6 | 4/4 | 2/2 | 1/1 | | 1/1 |
| 6. Ms. Bunsri Panyapiamsak | 5/6 | - | - | 1/1 | 1/1 | - |
| 7. Mr. Tanatat Chawaldit | 6/6 | - | - | 1/1 | | - |
| 8. Mr. Preeda Wongsathitporn | 6/6 | - | - | 1/1 | | - |
| 9. Gen. Phairat Phoubon | 6/6 | - | 2/2 | 1/1 | | 1/1 |
| 10. Mr. Woravit Chailimpamontri | 6/6 | - | 1/2 | 1/1 | | -/1 |

* BoD = Board of Director / AC = Audit Committee / NCC = Nominated and Compensate Committee / AGM = Annual General shareholders Meeting / RMC = Risk Management Committee / ID = Independent Director

3. Compensation

The Company has set guidelines and payment rates for directors to be at appropriate levels. Remuneration for directors and executives would be based on their scope of responsibility, the Company's overall performance, and conform to similar business/ industry. Directors' and executives' remuneration packages should be attractive enough to keep the qualified persons and should be comparable to that of other companies in similar industries. Directors and Executives being assigned more duties and responsibilities will receive more compensation accordingly.

In 2024, Nomination and Remuneration Committee determined the remunerate data of the listed company in SET compared with the evaluation of performance to set the transparently remuneration before propose to the shareholder meeting.

The director's remuneration in cash for non- executive director consists the Salary and meeting allowance in the total amount by Baht 4.00 million

| | Salary | Meeting allowance /time |
|-----------------------------|--------|-------------------------|
| Chairman of the Board | 50,000 | 15,000 |
| Chairman of Audit Committee | 30,000 | 20,000 |
| Chairman of the Committee | 30,000 | 20,000 |
| Director | 30,000 | 15,000 |

| Name | Compensation | |
|--------------------------------|------------------|------------------|
| | Y2024 | Y2023 |
| 1. Dr. Kunchit Singсуwan | 765,000.- | 735,000.- |
| Salary | 600,000 | 600,000 |
| Meeting allowance | 165,000 | 135,000 |
| 2. Mrs. ChintanaTechamontrikul | 555,000.- | 525,000.- |
| Salary | 360,000 | 360,000 |
| Meeting allowance | 195,000 | 165,000 |
| 3. Mr. Surapon Satimanont | 545,000.- | 515,000.- |
| Salary | 360,000 | 360,000 |
| Meeting allowance | 185,000 | 155,000 |
| 4. Mr. Tanatat Chavalidith | 465,000.- | 435,000.- |
| Salary | 360,000 | 360,000 |
| Meeting allowance | 105,000 | 75,000 |
| 5. Mr. Preeda Wongsathitporn | 465,000.- | 435,000.- |
| Salary | 360,000 | 360,000 |
| Meeting allowance | 105,000 | 75,000 |
| Allowance from Subsidiaries* | 20,000 | 20,000 |
| 6. Gen. Phairat Phoubon | 505,000.- | 475,000.- |
| Salary | 360,000 | 360,000 |
| Meeting allowance | 145,000 | 115,000 |
| 7. Mr. Woravit Chailimpamontri | 480,000.- | 465,000.- |
| Salary | 360,000 | 360,000 |
| Meeting allowance | 120,000 | 105,000 |
| | 3,780,000 | 3,585,000 |

* the allowance from subsidiaries won't be calculated in the Company's compensation

Other Remuneration

Directors and officers' liability insurance amounted 100,000,000 baht with policy period starting from January 1, 2024 to December 31, 2024 with a premium of 145,000 baht.

4. Development Programs for Directors and Executives

The Board of Directors has a policy to promote and facilitate training and educating directors who are involved in the corporate governance system of the company such as directors, audit committees, executives, etc. in order to continuously improve their operations and develop the organization.

Training for Directors and Executives 2024

Mr. Boonsri PanyaPiamsak Updated TAX acknowledge of 2024, Federation of Accounting Professions, Songkhla.

Mr. Pakorn On-kaew Updated TAX acknowledge of 2024, Federation of Accounting Professions, Songkhla.

Mrs. Pattranit Janthong Sasuthum * HR Trends for SME – the Federation of Thai Industries.

* The standard system for preventing and resolution of drug problem in workplaces, Provincial Labour Office – Songkhla.

5. Board of Director Performance Assessment

The company has arranged self-assessment activity of the Board of Directors at least once a year, to assess their performance to reflect the efficiency of operations according to the principles of good corporate governance and for the committee to jointly review the work for further improvement. The Company Secretary was assigned to submit a self-assessment form to all directors at the end of the year and put together a result summary to report to the Board of Directors for them to acknowledge and share opinions for further improvement.



In 2024, the Board of Directors approved the use of the Director Performance Evaluation Form from the Thai Institute of Directors Association. There were 4 categories of assessment as follows:

1. The self-assessment of the Committee resulted in an average of 94.4, as a result of an insufficient proportion of directors' opinions and time taken to consider the appropriate-ness of the use of resources.
2. The self-assessment of the Board of Directors on an individual basis averaged 94.73%, the duration the directors spent studying the information before attending the meeting was insufficient.
3. The self-assessment of the Sub-Committee
 - Audit Committee averaged at 98.66%, a increase of 0.74% from the previous year. The duration of each meeting was insufficient.
 - Members of the Nomination and Remuneration Committee averaged at 95.22%. The obtained documents and meeting information were insufficient.
4. The assessment of the performance of the top management averaged 97.0%.

6. Supervision the operation of subsidiaries

Subsidiaries consist of Neastern Steel Co. , Ltd. , Mega Trans and Logis Co. , Ltd. , and Grand Steel Pipe Co.,Ltd. all was held by the company more 90% of registered capital. The directors in subsidiaries are the representatives from the company to determine the operation policy and participate in management which can operate and development in same direction. Details of position in the Subsidiaries was shown in the attachment 2.

All 3 subsidiaries use same both the Internal Control and Statement of compliance with TFRSs, including Related Transactions.

7. Monitoring and Compliance

Board of Directors has monitored and reviewed the policies on compliance with good corporate governance and issued sustainability management policies which cover business operations with responsibility to stakeholders in all 3 dimensions, namely the economic dimension, the social dimension, and the environmental dimension.

In 2024, the Board of Directors reviewed the Company's vision and mission, including reviewed the Corporate governance polity, the Anti-Corruption policy. There has been sufficiently and appropriate for the current situation. Furthermore, the Board of Directors considered on Environment operation and Resource usage such as Greenhouse Gas management, Electricity consumption or water consumption etc.

8. Preventing the Insider Information

The Company has set guidelines concerning the use and protection of inside Information for trading of the Company's securities by related persons which include directors, executives, and employees in departments that have connection with such inside information (including spouse and underage child of such persons) . Selling or buying of the Company' s stock by such related persons is prohibited for at least one month before disclosure of quarterly financial statements and annual financial statements. Stock trading by relevant parties can be done after the information is disclosed to the public more than 24 Hours.

The movement of shareholding of 2024

| | 8 March 2024 | | Changing | 10 March 2025 | | % of Holding |
|---------------------------------|--------------|----------------------------|----------|---------------|----------------------------|--------------|
| | Personally | Spouses and minor Children | | Personally | Spouses and minor Children | |
| 1. Mr. Kunchit Singсуwan | - | - | - | - | - | - |
| 2. Mr. Surapon Satimanont | - | - | - | - | - | - |
| 3. Mr. Sombat Leeswadtrakul | 136,452,654 | - | 391,700 | 136,844,354 | - | 24.84% |
| 4. Mr. Sangrung Nitipawachon | 32,019,995 | - | - | 32,019,995 | - | 5.82% |
| 5. Mrs. ChintanaTechamontrikul | - | - | - | - | - | - |
| 6. Miss Bunsri Panyapiamsak | 16,959,004 | - | - | 16,959,004 | - | 3.08% |
| 7. Mr. Tanatat Chawaldit | 14,479,151 | - | - | 14,479,151 | - | 2.63% |
| 8. Mr. Preeda Wongsathitporn | 24,636,881 | - | - | 24,636,881 | - | 4.48% |
| 9. Gen. Phairat Phoubon | - | - | - | - | - | - |
| 10. Mr. Woravit Chailimpamontri | - | - | - | - | - | - |
| 11. Mrs. Tassanee Phunuchaphai | - | - | - | - | - | - |
| 12. Mr Pakorn Onkeaw | 60,500 | - | - | 60,500 | - | 0.01% |

| | 8 March 2024 | | Changing | 10 March 2025 | | % of Holding |
|--------------------------------------|--------------|----------------------------|----------|---------------|----------------------------|--------------|
| | Personally | Spouses and minor Children | | Personally | Spouses and minor Children | |
| 13. Mrs. Kannika Angruvirote | - | - | - | - | - | - |
| 14. Mr.Pongdech Lersithisak | - | - | - | - | - | - |
| 15. Mr. Teerasak Onrachorn | - | - | - | - | - | - |
| 16. Mrs. Pattranit Janthong Sasutham | - | 1,000 | - | - | 1,000 | - |
| 17. Ms.Jaruwan Janpra-Ob | 123,750 | - | 13,000 | 136,750 | - | 0.02% |

9. Preventing the conflict of Interest

Board of Directors stipulated related transaction policy of the Company and its subsidiaries with related person which may have conflict interest. Audit Committee will inform to Board of Directors Meeting every quarter. Further, the Company train and announce the code of conduct via broadcast and internal channel. Year 2024 there was no conflict transactions issue.

10. Anti-Corruption

The company has been certified as a member of the CAC Private Sector Collective Coalition against Corruption. Year 2024, Board of Directors has monitored the internal audit and risk control system to preventing the fraud or corruption. Audit committee set the annual plan of internal audit and inform to Board of Directors Meeting as usual. The result of randomly inspected various transactions related to the government working as follows:

| Internal Control on corruption Risk | Performance |
|--|---|
| * Payment in the form of Gift, complimentary, welcome. | It's normal transaction, documents attached were completed |
| * Payment in the form of Sponsorship | The payment was be benefit for Social, documents attached was completed |
| * Payment in the form of Donation | It's a transparent operation without any business conditions. documents attached was completed. |
| * Payment in the form of Political supporting | - No transaction - |
| * Conflict of Interest | |

The company has published details of the anti- corruption and whistle blowing policies so that personnel within the organization and outsiders can access and study the guidelines at the company's website under the topic of corporate governance http://www.ss.co.th/th/about_th/corporate-governance_th/

11. Whistle blowing and Compliant

In order to encourage stakeholders both inside and outside the organization to take part in good governance, the company has established guidelines for whistleblowers to notify and report issues on the company' s website under the topic of Corporate Governance. Year 2024, the Company didn't receive the compiled http://www.ss.co.th/th/about_th/corporate-governance_th/

Whistle blowing

- Postal : Audit Committee
2S Metal Public Company Limited
No. 1788 Singha Complex (Regus) 30 Flr., New Petchburi Rd.,
Bang kapi, Huaykwang
Bangkok 10310
- Email : auditcom@2smetal.com

12. Report of the Board of Directors

The Board of Directors jointly reviewed the annual report before submitting it to the shareholders to acknowledge the business operations in the past year and assigned the Audit Committee to review the financial report. The Independent Directors were responsible for reviewing the accounting policies, quality of financial reports, internal control system, internal audit risk management system, and transaction information disclosure to relevant parties to ensure complete important financial information disclosure. The Board of Directors is responsible for the consolidated financial statements of the company and its subsidiaries, including financial information written in the annual report and the report of the Board of Directors' responsibilities for financial reports. Such financial statements were prepared in accordance with accounting standards certified and audited by the company's auditors. The disclosure of important information, both financial and non-financial information, is conducted on a consistent and factual basis

The company's financial statements and its subsidiaries were audited by the company's auditing agency, Grant Thornton Company Limited. In the auditing process, the company's Board of Directors supported the provision of information and documents so that the auditor can audit and express opinions in accordance with the auditing standards. The auditor's opinions are written in the auditor's report which is shown in the annual report. The Board of Directors concluded that the company's internal control system has been performing at a satisfactory level and is able to build reasonable confidence that the company's financial statements and its subsidiaries for the year 2024 ending December 31, 2024, are reliable and adhering to generally accepted accounting standards and complying with relevant laws and regulations.

Audit Committee's Performance Summary

Audit Committee is appointed by the Board of Directors which composing of 3 independent director who qualified according to the regulation of the SET. Audit committee was independently within the scope of authority as stipulated in the Charter of the Audit committee.

Year 2023, the Audit Committee held a total of 4 meetings with Head of Accounting, internal auditors and the company's auditor in the related agenda. The summary of the duties to evaluate performance as follows:

1. Review quarterly financial statements and financial statements of year that the company's financial reports are properly prepared in accordance with generally accepted accounting principles with information disclosure adequacy together with the Company's auditors and Vice managing director of accounting to ensure that the financial statement is shown exactly the company performance, reliability and completion. Further, the Audit Committee held a meeting with the company's auditors without the management attending on 12 November 2024 to discuss the concerning issue with feel free to comment.

2. Review the internal control system of the company and its subsidiaries to assess the adequacy and effectiveness. In 2024, the Audit Committee concerned every importances system especially information technology (IT) and practical of preventing the corruption guidelines of CAC, including the concept of sustainability management on ESG principles. Regarding the 2023 internal auditing, reviewed and approved by the Audit Committee, the Audit Committee believes that the company's internal control system is sufficient and appropriate.

3. Review compliance with securities and exchange laws and regulations of the stock exchange, including other laws relevant to the company every quarter to build confidence among shareholders and investors

4. Review remuneration, select and nominate the company's auditors for the year 2024 to the Board of Directors for the Annual General Meeting of Shareholders to considering and appointment approve auditor from Grant Thornton Co. , Ltd.

5. Review related transactions of the Company and its subsidiaries to ensure that comply with trading term and regulations of the Stock Exchange of Thailand. Audit committee assigned Internal audit to report the related transactions every quarter which resulting the transaction was general trading term, appropriate, reasonable, fair, and free of conflicts of interest

The Audit Committee' s opinion the Company has accurately reported financial as the accounting principles and proper internal control system including risk management measures, operates according to legal terms and obligations, and has handled the company's related transactions with proper disclosure, sufficiency, transparency and reliability in accordance with good corporate governance

Nomination and Remuneration Committee's performance Summary

The Nomination and Remuneration Committee composing of 3 independent directors and 1 Executive director which has performed duties to support the Board of Directors within the scope of authority as stipulated in the Charter. In 2024, there were 2 meetings (fully quorums) to consider important matters as assigned by the Board of Directors prior propose to the Shareholders Meeting considering and approve. The summary of operation are as follows;

1. Considered the remuneration of company directors with the information of remuneration in the same industry and rationalized from the roles and responsibilities together with the economy situation and the company's operation for propose to the yearly Annual General Meeting of Shareholders. The remuneration consists of salary and meeting allowance for each board member. Directors who are executives will not receive this part of remuneration. Further details can be found on the topic 'Compensation for Directors' on page 58.

2. Follow up the results of inviting minority shareholders to propose the nomination of person to be elected as the Company director. Which disclosed via SET system and post on the Company's website on 15 December 2023 to 31 January 2024, there' s no any shareholders proposed the nominate person for considering in the AGM.

3. Consider the qualifications of director who retired by rotation, year 2024 there were 2 independent directors. Gen. Phairat Phoubon, who has tenure more 9 years but both of them suitable to comment freely and perform in accordance with the requirements of the Securities and Exchange Commission. The qualifications include the absence of legally prohibited characteristics, experience and knowledge that are beneficial to the company.

4. Reviewed the results of the performance assessment of the directors. In 2023, the Board of Directors used the performance assessment form according to the criteria of the Thai Institute of Directors Association (IOD) , which assessed 4 topics: the overall assessment of the entire Board of Directors; the performance of sub-committees; the self-assessment of individual directors. Further details can be found on page 57.

5. Reviewed the Nomination and Remuneration Committee's charter, which is appropriated on the current situation.

Nomination and Remuneration Committee has freely operated and have not been excessively controlled by the management and has used discretion and considered carefully and reasonably while taking into account the benefits of minority shareholders in accordance with the

Risk Management Committee Performance Summary

Board of Director recognizes the importance of enterprise risk management to ensure that is adequate and appropriate and managed to acceptable level (Risk Appetite). The risk management committee is appointed with 4 key mans, role on duties to determine the strategics and procedure of manage the risks of the organization as assigned by the Board of Director.

In 2024, there was a meeting (fully quorums) to consider important matters as follows;

1. Reviewed the risk criteria to ensure that appropriate and consistent the current business situation. The measurement can effectively accommodate changes in risk factors.

2. Suggested and agreed the annual risk assessment plan of year 2025, both side of working procedure and fraud or corruption according to the strategy mission and goal. To be ensured that has practice follow the risk management plan and its evaluated regularly.

The risk management committee has provided as assigned by the Board of Director continuously and systematically, has reviewed the risk criteria to appropriate the current situation and determined preventing of fraud or corruption which all effect to sustainability and transparency of the organized.

There is an independent internal audit unit which responsible for monitoring operations of all departments in the company to be in accordance with the company's policy and guidelines. Including assessing the efficiency of the internal control system and reporting to the Audit Committee to conduct a review before presenting matters to the Board of Directors

In 2024, the Audit Committee and the Board of Directors jointly evaluated the company's internal control system 12th November 2024 according to the Securities and Exchange Commission which covered to the international standard of COSO's. there was opinion that internal control of the Company has sufficient and appropriate for the operations to meet the goals, objectives and relevant laws and regulations of the 5 components as follow:

1. Internal Control. The company has a clear organizational structure, scope, and authority of the management and set the Approval authority to determine the scope of director and executives in approving operation table. Furthermore, The company has set operational goals annually and used the actual operational performance to review the operational goals for the next year

The Company is committed to honesty and ethics operation and has prepared business the Code of Conduct guidelines for executives and employees to follow and has clearly defined penalties in the employee handbook.

2. Risk management. The Company set up the Risk Management committee to oversee the risk of business operating and practice as relevant legal and regulations. The management personnel of each department will assess risks at least once a year for determine preventative measures to acceptable level.

3. Operational Control- The company has clearly defined and assigned scope of duties and authorities in writing and appropriated duties, assigning tasks, including communicated to the employees to acknowledge and follow it correctly guidelines.

The company has adequate and concise internal control system for transactions with major shareholders, directors, executives and related persons. The company has been making sure that

transactions made are reasonable transactions. There is a process of price comparison from at least 2 vendors that are legally reliable with general commercial terms. The company will always ensure that there is no conflict of interest involved in any transactions with approval from authorities who have no interest in the matter and opinions from the Audit Committee in accordance with the regulations of the Stock Exchange of Thailand.

In addition, to enhance the operational control the Audit Committee has reviewed and approved the annual audit plan that covers in order of risk that may affect to the company's operations.

4. Information and Communication System; The Company has implemented data security measures to maintain the confidentiality and availability of data, including cyber security and personal data protection and backup plan in case of emergency. There is an information technology security policy which was communicated to all level of organization acknowledgement and follow practically every year. To be ensure that the data management has security standard matching to the relevant regulations.

The Company has developed communication channels between individuals and stakeholders to ensure accurate and fast data transmission. The Board of Directors has appropriate access the information for support to the consideration such as attachments the agenda, Accounting-related operation, auditor's opinion, internal control system up to date at all time help analysis and consider efficiently.

5. Tracking system - The company uses Key Quality Indicator (KQI) to evaluate the quality of operation by holds a weekly meeting for management to follow up on business and to discuss solutions in case set goals have not been achieved. The internal audit to examine matters each department and report independently to the Audit Committee. The Company encourages internal auditor to attend training courses related the operation for enhance skill accordance changing situation regularly.

The audited the financial statements of the company and its subsidiaries for the year ending December 31, 2024. No deficiencies were found in the internal control system that would cause a significant impact on the opinion on the financial statements of the company and its subsidiaries.

Related transaction

In each quarter, the internal audit department collects data on intercompany transactions and transactions between subsidiaries and related companies, and presents it to the Audit Committee and the Board of Directors for consideration of reasonableness and the application of normal commercial terms.

It is clear that it is in accordance with the company's policy, ensuring that no individual benefits unfairly, and that the transactions are specific and free from any conflicts of interest. For the fiscal year 2024, ending on December 31, 2024, the summarized transactions are as follows:

- Normal business transaction of Steel product**

| Company | Nature of Relationship | Description | Value (Bt. million) | Necessary and Reasonable |
|------------------------------------|------------------------|---|---------------------|---|
| Neastern Steel Co., Ltd. | - The subsidiary, | The Company has sold the finished products such as square tube , round tube for maintenance | 8.95 | The transactions are normal trading, and it was market price. |
| | | - accounts receivable | 0.18 | |
| Grand Steel Pipe Co.Ltd (Lao PDR.) | - The subsidiary, | The Company has sold the finished products such as square tube , round tube for trading | 0.00 | The transactions are normal trading, and it was market price. |
| | | - accounts receivable | 21.79 | |
| | | - Interest income | 1.91 | |
| | | The Company has bought the finished goods for trading. | 109.78 | |
| | | - advance payment | 36.92 | |
| Mega Trans and Logis Co., Ltd. | - The subsidiary, | The Company has sold the finished products and tools for business. | 0.37 | The transactions are normal trading, and it was market price. |

| Company | Nature of Relationship | Description | Value (Bt. million) | Necessary and Reasonable |
|-----------------------------|--|--|---------------------|--|
| United Steel Pipe Co., Ltd. | Group of Executive management has hold the Company's share | The Company has sold supplies. - accounts receivable | 362.33 0.99 | the products are of special quality and size that the company could not produce in-house. A price comparison process was conducted from at least 2 sellers with normal trading conditions. Approver the transaction was a person who had no interest or could cause a conflict of interest. |
| | | The Company has bought the finished goods for trading. - accounts payable | 568.33 7.70 | |
| Panich Swad Co., Ltd. | Group of Executive management has hold the Company's share | The Company has sold raw material. - accounts receivable | 55.73 0.00 | the products are of special quality and size that the company could not produce in-house. A price com-parison process was conducted from at least 2 sellers with normal trading conditions. Approver the transaction was a person who had no interest or could cause a conflict of interest. |

- Equipment and Others**

| Company | Nature of Relationship | Description | Value (Bt. million) | Necessary and Reasonable |
|------------------------------------|--|---|---------------------|---|
| Grand Steel Pipe Co.Ltd (Lao PDR.) | The subsidiary | The company sells factory materials such as safety shoes, cloth gloves, and plastic straps. | 2.88 | These transactions occur as part of normal business operations, with the purchase and sale prices set according to market prices. |
| Nana Watsadu Furnitures Co., Ltd. | - close relationship with the company's management | Company sells some facilities for production, such Steel welding mark | 0.01 | The transactions are normal trading, and it was market price. |
| | | Company has bought some facilities for production, road paintng | 0.01 | |
| Kwangfha Lohakit | -owner related the company's management | Company has bought some facilities for production, such Steel welding mark, brush paint, Stone grinding, etc. | 0.02 | The transactions are normal trading, and it was market price. |

- **Loan**

| Company | Nature of Relationship | Description | Value (Bt. million) | Necessary and Reasonable |
|------------------------------------|------------------------|------------------------------------|---------------------|--|
| Mega Trans and Logis Co.,Ltd. | - The subsidiary, | Mega loans for operations | 26.81 | Its normal loan transaction by issuing the promissory Notes and Interest rate as the financial institution |
| | | - Interest income | 1.01 | |
| Neastern Steel Co., Ltd. | - The subsidiary, | Neastern loans for working capital | 34.50 | Its normal loan transaction by issuing the promissory Notes and Interest rate as the financial institution |
| | | - Interest income | 2.00 | |
| Grand Steel Pipe Co.Ltd (Lao PDR.) | - The subsidiary, | GSP loans for working capital | 11.00 | Its normal loan transaction by issuing the promissory Notes and Interest rate as the financial institution |
| | | - Interest income | 0.01 | |

- **Properties**

| Company | Nature of Relationship | Description | Value (Bt. million) | Necessary and Reasonable |
|-------------------------------|---|---|---------------------|--|
| United Steel Pipe Co.,Ltd. | Group of Executive has hold the Company's share | Warehouse rental, Period 3 years for Baht 100,000 per month. | 1.20 | Rental rate and trade conditions are normal course of business |
| | | - Accrued Expenses | 0.00 | |
| Neastern Steel Co., Ltd. | - The subsidiary, | The company rents warehouse space and commercial equipment for a lease term of 3 years, excluding utilities | 8.99 | Rental rate and trade conditions are normal course of business |
| | | - Accrued expenses | 0.05 | |
| Mega Trans and Logis Co.,Ltd. | - The subsidiary, | The company leases office space, office equipment, and utilities for a lease term of 5 years. | 0.41 | Rental rate and trade conditions are normal course of business |
| | | - Accrued income | 0.00 | |

• **Engagement**

| Company | Nature of Relationship | Description | Value (Bt. million) | Necessary and Reasonable |
|-------------------------------|------------------------|---|---------------------|---|
| Mega Trans and Logis Co.,Ltd. | - The subsidiary, | Transportation service for the Company's products - other accounts payable | 74.00 1.13 | The subsidiary can't service in rush hour and provide convenience with delivery of the products. |
| Neastern Steel Co., Ltd. | - The subsidiary, | Neaster produces products for the Company. - other accounts payable | 149.35 13.31 | The Subsidiary's plant located in Nakornrachsim province which is center of Eastern. Such the Company can provide convenience with delivery to customers and safe cost. |

Measures or procedures for approving transactions between the Company

The company has approval procedures for intercompany transactions in compliance with the Securities and Exchange Act and the regulations, announcements, orders, or requirements of the Stock Exchange of Thailand. In cases where a director or individual may have a conflict of interest, a personal stake, or any potential conflict of interest with the company or its subsidiaries, they are not entitled to vote on the approval of such intercompany transactions.

Policies or trends in future intertransactions.

For normal business transactions and normal business support transactions with standard commercial terms

The purchase and sale of steel coils or steel products will continue to occur, with the company and its subsidiaries proceeding when deemed necessary to meet customer demand fully and when the company can make a reasonable profit from such transactions.

The company and its subsidiaries have established a policy for intercompany transactions, ensuring that all conditions are in line with regular business practices, with market prices and clear, fair terms that can be compared with external prices and do not lead to the transfer of benefits. The internal audit department is responsible for reviewing the data and preparing reports for the Audit Committee to consider and provide an opinion on the appropriateness of the prices and the reasonableness of each transaction every quarter.

However, since individuals with potential conflicts of interest from the company and/or its subsidiaries are significantly involved in the steel product business, there is a possibility that intercompany transactions may occur in the future. Therefore, the company has established stricter measures regarding the authority to approve such intercompany transactions to ensure greater transparency, the reasonableness of the transactions, and the appropriateness of prices. This is summarized as follows:

| The total amount per approval of 1 related transaction per 1 person with possible conflict of interest | Authorized person |
|--|---|
| Not exceed Bt. 10,000,000 per week | The Managing Director of the company shall report to the Board of Directors, with the Audit Committee members present, for acknowledgment of such transactions on a regular basis every quarter. |
| More than Bt. 10,000,000 but not exceed 25,000,000 per week | The Executive Committee of the company shall report to the Board of Directors, with the Audit Committee members present, for acknowledgment of such transactions on a regular basis every quarter. |
| More than Bt. 25,000,000 per week | The Executive Committee of the company shall inform the Audit Committee of the details of the transactions and report to the Board of Directors for acknowledgment of such transactions on a regular basis every quarter. |

Note: The preliminary approval of transactions by the authorized approver will not include approvals for transactions in which the authorized approver or individuals who may have a conflict of interest or potential conflicting interests in any other manner with the company and/or subsidiaries, as well as transactions that require shareholder approval for related party transactions and the acquisition or disposal of significant assets of the company and/or subsidiaries, in accordance with the requirements of the Stock Exchange of Thailand, the Securities and Exchange Commission, or applicable laws related to the company's business.

Normal business transactions and other supporting transactions with general business conditions

Selling and purchasing of steel products between the related companies and the Company and the Subsidiary occur continuously. The Company and the Subsidiary will take necessary action when consider that there is a necessity to meet the customers' demand and benefit can be

As the persons with possible conflict of interest of the Company and/or the Subsidiary are largely involved in the steel industry and the Company and the Subsidiary have high possibility to make the related transaction of the steel product. Therefore, the Company has set stringent measure on delegation of approval authority for such related transactions of the Company and the Subsidiary to ensure transaction transparency and reasonableness and pricing appropriateness, as summarized below.



Part 3 Financial Statement

2S Metal Public Company Limited and Subsidiaries

For the year Ended 31 December 2024

To the Shareholders and the Board of Directors of 2S Metal Public Company Limited***Opinion***

I have audited the consolidated and separate financial statements of 2S Metal Public Company Limited (the Company) and its subsidiaries (the Group), which comprise the consolidated and separate statements of financial position as at 31 December 2024, the consolidated and separate statements of comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended; and notes to the consolidated and separate financial statements, which include significant accounting policies.

In my opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of 2S Metal Public Company Limited (the Company) and its subsidiaries (the Group) as at 31 December 2024, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (TFAC Code) that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the TFAC Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

| Key audit matters | How the matter was addressed in the audit |
|--|---|
| <u>Impairment of investments in subsidiaries</u> As at 31 December 2024, the separate financial statements include investments in subsidiaries amounting to Baht 216.77 million which arose from a business combination in year 2015. In accordance with Thai Financial Reporting Standards, investments in subsidiaries are required to be tested when there is an indicator of impairment. | My audit procedures included: <ul style="list-style-type: none">- Obtaining an understanding of how management identified impairment indicators and the testing process- Reviewing the supporting documents prepared by management to assess whether there is any impairment of investment at the end of year and assess the appropriateness of the valuation model and key assumptions used by management |

| Key audit matters | How the matter was addressed in the audit |
|---|--|
| <p>An impairment assessment requires significant judgement by management, specifically in determining the assumptions to develop the cash flows projections of the subsidiary and the selection of the of discount rate which may be affected by changes in the economic condition, market situation and specific risks.</p> <p>Refer to Notes 11 which provide details of the impairment testing performed by management.</p> | <ul style="list-style-type: none"> - Assessing the reasonableness of the discount rate applied to the estimated future cash flows - Testing the calculation of the recoverable amount - Review the sensitivity analysis provided by management and considered the impact to recoverable amount - Considering the adequacy and appropriateness of the disclosure of the assumptions, methodology and recoverable amount of investment in subsidiary. <p>As a result of the procedures performed, the key assumptions used by the management were reasonable and within the acceptable range. They were consistent with supporting evidence.</p> |
| <p><u>Inventories</u></p> <p>As at 31 December 2024, the Group and the Company have inventories of Baht 751.99 million and Baht 717.56 million, respectively.</p> <p>Inventories are carried in the financial statements at the lower of cost and net realizable value. The Group's management has estimated the net realizable value from the estimated selling price after the deduction of direct costs.</p> <p>Management prepared a net realizable value calculation report. and assess the adequacy of allowance for net realizable value at the end of the year.</p> <p>I focused on this area because the valuation of the inventory is significant for the financial statements and the estimation of the allowance for net realisable value is based on domestic market prices. This might be affected by the fluctuation of raw material prices in global markets, competitive marketing and the situation in the industry.</p> <p>Refer to Note 10 which provide details of the allowance for net realizable value.</p> | <p>My audit procedures included:</p> <ul style="list-style-type: none"> - Understood the Company's policy for net realisable value calculation, the procedure of data collection and accuracy review, and the consistency in the implementation of the Company's accounting policies. - Tested internal controls over the procurement cycle from the purchase requisition, purchase order, goods received, and payment until recording to reflect the accuracy of inventory costs. - Inquired the management and assessed the appropriateness of the selling prices per unit used to estimate the allowance for net realisable value, by comparing quotations and selling price lists with year-end market prices. - Tested the calculation of net realisable value at year end for both raw materials and finished goods, including any reconciliations. There was no significant difference noted. <p>From performing the above procedures, I viewed that the selling prices used in estimation of the allowance for net realisable value was reasonable and consistent with the available evidence.</p> |

Other Information

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee to revise a material misstatement.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRS, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance assists the directors in discharging their responsibilities for overseeing the Group's and the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the audit committee with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Luxsamee Deetrakulwattanapol

Certified Public Accountant

Registration No. 9056

Grant Thornton Limited

Bangkok

20 February 2025

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION

(Unit : Thousand Baht)

| ASSETS | Notes | Consolidated F/S | | Separate F/S | |
|---|-------|-------------------------|------------------|---------------------|------------------|
| | | 31 December | | 31 December | |
| | | 2024 | 2023 | 2024 | 2023 |
| CURRENT ASSETS | | | | | |
| Cash and cash equivalents | 8 | 240,297 | 341,893 | 232,067 | 320,720 |
| Trade and other accounts receivable - general customers | 9 | 377,848 | 335,995 | 375,504 | 331,202 |
| - related companies | 7, 9 | 982 | 2,796 | 1,484 | 19,214 |
| Inventories - net | 10 | 751,986 | 809,676 | 717,562 | 790,088 |
| Deposits for purchase of goods | | 31,906 | 18,580 | 68,831 | 28,129 |
| Short-term loans and accrued interest receivable | | | | | |
| - subsidiary | 7 | - | - | 62,933 | 69,421 |
| Refundable value added tax | | 6,691 | 4,722 | - | 4,722 |
| Refundable income tax | | 16,825 | 4,908 | 14,381 | 1,751 |
| Other current assets | | 4,949 | 15,874 | 3,681 | 3,524 |
| Total Current Assets | | 1,431,484 | 1,534,444 | 1,476,443 | 1,568,771 |
| NON-CURRENT ASSETS | | | | | |
| Investments in subsidiaries | 11 | - | - | 216,770 | 216,770 |
| Long-term loans receivable - subsidiary | 7 | - | - | 9,400 | 9,400 |
| Property, plant and equipment - net | 12 | 636,306 | 629,332 | 259,074 | 274,968 |
| Rights-of-use assets - net | 13.1 | 12,881 | 11,793 | 59,335 | 71,402 |
| Investment property - net | 14 | 259 | 596 | - | - |
| Intangible assets - net | 15 | 180 | 443 | 151 | 371 |
| Deferred tax assets | 20 | 1,641 | 1,389 | - | - |
| Other non-current assets | | 2,701 | 2,288 | 1,497 | 1,484 |
| Total Non-Current Assets | | 653,968 | 645,841 | 546,227 | 574,395 |
| TOTAL ASSETS | | 2,085,452 | 2,180,285 | 2,022,670 | 2,143,166 |

The accompanying notes form an integral part of these financial statements.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION

(Unit : Thousand Baht)

| LIABILITIES AND SHAREHOLDERS' EQUITY | Notes | Consolidated F/S | | Separate F/S | |
|--|-------|-------------------------|------------------|---------------------|------------------|
| | | 31 December | | 31 December | |
| | | 2024 | 2023 | 2024 | 2023 |
| CURRENT LIABILITIES | | | | | |
| Trade and other accounts payable - general companies | 16 | 52,296 | 65,306 | 47,592 | 61,463 |
| - related companies | 7, 16 | 7,704 | 13,215 | 22,196 | 23,378 |
| Current portion of lease liabilities | 13.2 | 2,190 | 1,581 | 6,877 | 5,828 |
| Current portion of employee benefits obligation | 18 | 617 | 2,544 | 227 | 2,544 |
| Accrued income tax | | - | 6,880 | - | 6,880 |
| Accrued expenses | 17 | 40,599 | 36,473 | 30,929 | 28,911 |
| Other current liabilities | | 11,458 | 8,026 | 8,890 | 5,156 |
| Total Current Liabilities | | 114,864 | 134,025 | 116,711 | 134,160 |
| NON-CURRENT LIABILITIES | | | | | |
| Employee benefits obligation | 18 | 20,748 | 18,243 | 16,195 | 13,842 |
| Lease liabilities - net | 13.2 | 6,952 | 5,950 | 58,721 | 70,988 |
| Deferred tax liabilities - net | 20 | 11,757 | 9,961 | 413 | 2,175 |
| Total Non-Current Liabilities | | 39,457 | 34,154 | 75,329 | 87,005 |
| TOTAL LIABILITIES | | 154,321 | 168,179 | 192,040 | 221,165 |
| SHAREHOLDERS' EQUITY | | | | | |
| Share capital - common share at Baht 1 par value | | | | | |
| - Registered 549,997,741 shares | | 549,998 | 549,998 | 549,998 | 549,998 |
| - Issued and paid - up 549,995,954 shares | | 549,996 | 549,996 | 549,996 | 549,996 |
| Premium on share capital | | 121,762 | 121,762 | 121,762 | 121,762 |
| Retained earnings | | | | | |
| - Appropriated for legal reserve | 21.1 | 55,000 | 55,000 | 55,000 | 55,000 |
| - Unappropriated | | 1,187,263 | 1,268,184 | 1,059,490 | 1,150,861 |
| Other components of shareholders' equity | | 20,098 | 19,799 | 44,382 | 44,382 |
| Shareholders' equity of the Company | | 1,934,119 | 2,014,741 | 1,830,630 | 1,922,001 |
| Non-controlling interests in subsidiaries | | (2,988) | (2,635) | - | - |
| TOTAL SHAREHOLDERS' EQUITY | | 1,931,131 | 2,012,106 | 1,830,630 | 1,922,001 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | | 2,085,452 | 2,180,285 | 2,022,670 | 2,143,166 |

The accompanying notes form an integral part of these financial statements.

**STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED 31 DECEMBER**

(Unit : Thousand Baht)

| | Notes | Consolidated F/S | | Separate F/S | |
|--|-------|------------------|------------------|------------------|------------------|
| | | 2024 | 2023 | 2024 | 2023 |
| REVENUES | | | | | |
| Revenue from sales | | 7,286,541 | 6,632,006 | 7,163,427 | 6,502,305 |
| Revenue from sales of by-product | | 160,506 | 143,339 | 151,506 | 137,278 |
| Total revenues | 23 | 7,447,047 | 6,775,345 | 7,314,933 | 6,639,583 |
| COSTS OF SALES | | | | | |
| Costs of sales | 10 | (7,127,886) | (6,351,661) | (7,037,827) | (6,250,443) |
| Gross profit | | 319,161 | 423,684 | 277,106 | 389,140 |
| Interest income | 23 | 4,518 | 3,618 | 9,398 | 8,163 |
| Gain on exchange rate | | 5,934 | - | 10,764 | - |
| Other income | | 43,975 | 40,395 | 51,178 | 47,202 |
| Profit before expenses | | 373,588 | 467,697 | 348,446 | 444,505 |
| Selling expenses | 22 | (223,298) | (163,066) | (216,990) | (158,349) |
| Administrative expenses | 22 | (119,766) | (111,097) | (111,788) | (110,529) |
| Loss from exchange rate | | - | (12,095) | - | (1,099) |
| Loss on impairment from goodwill | | - | (15,086) | - | - |
| Total expenses | | (343,064) | (301,344) | (328,778) | (269,977) |
| Profit before finance costs | | 30,524 | 166,353 | 19,668 | 174,528 |
| Finance costs | 23 | (757) | (264) | (3,725) | (3,761) |
| Profit before income tax | | 29,767 | 166,089 | 15,943 | 170,767 |
| Income tax expense | 19 | (6,550) | (6,278) | (2,815) | (7,177) |
| Profit for the year | | 23,217 | 159,811 | 13,128 | 163,590 |
| OTHER COMPREHENSIVE INCOME | | | | | |
| Items to be not reclassified subsequently to profit or loss | | | | | |
| Actuarial gain from remeasurments of post-employment benefit obligation - net of tax | | - | 638 | - | 1,961 |
| Items to be reclassified subsequently to profit or loss | | | | | |
| Translation adjustment for foreign currency financial statements | | 307 | 1,222 | - | - |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | 23,524 | 161,671 | 13,128 | 165,551 |
| ALLOCATION OF PROFIT (LOSS) FOR THE YEAR | | | | | |
| Portion of the Company's shareholders | | 23,578 | 160,083 | 13,128 | 163,590 |
| Portion of non-controlling interests | | (361) | (272) | - | - |
| | | 23,217 | 159,811 | 13,128 | 163,590 |
| ALLOCATION OF TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR | | | | | |
| Portion of the Company's shareholders | | 23,877 | 161,907 | 13,128 | 165,551 |
| Portion of non-controlling interests | | (353) | (236) | - | - |
| | | 23,524 | 161,671 | 13,128 | 165,551 |
| BASIC EARNINGS PER SHARE | | | | | |
| Profit of the Company's shareholders (Baht : Share) | | 0.04 | 0.29 | 0.02 | 0.30 |
| Weighted average number of common shares (Unit : Thousand Shares) | | 549,996 | 549,996 | 549,996 | 549,996 |

The accompanying notes form an integral part of these financial statements.

**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED 31 DECEMBER**

(Unit : Thousand Baht)

| | | Shareholders' equity of the Company | | | | | | | | | | | | |
|--|---|-------------------------------------|---------------|----------------|---------------------|----------------------------|------------------------|---------------------------|------------------|----------------------|-----------------|-----------|---------|-----------|
| | | Retained earnings | | | | Other components of equity | | | | | | | | |
| | | | | | | Remeasurements of | | | Total | | | | | |
| | | Paid - up | Premium on | Legal | Surplus on | post-employment | Translation adjustment | Discount on | Total | Shareholders' equity | Non-controlling | Total | | |
| Note | | Share Capital | Share capital | Reserve | revaluation of land | benefit obligation | for foreign currency | dilution of investment in | Other components | of the Company | interests | | | |
| | | | | Unappropriated | - net of tax | - net of tax | financial statements | subsidiaries company | of equity | | | | | |
| Consolidated F/S | | | | | | | | | | | | | | |
| | Balance as at 1 January 2023 | 0 | 549,996 | 121,762 | 55,000 | 1,272,462 | 59,322 | - | (10,892) | (29,817) | 18,613 | 2,017,833 | (2,399) | 2,015,434 |
| Changes in shareholders' equity | | | | | | | | | | | | | | |
| | Dividend payment | 21.2 | - | - | - | (164,999) | - | - | - | - | - | (164,999) | - | (164,999) |
| | Total transactions with shareholders | | - | - | - | (164,999) | - | - | - | - | - | (164,999) | - | (164,999) |
| | Comprehensive income (loss) for the year | | - | - | - | 160,083 | - | 638 | 1,186 | - | 1,824 | 161,907 | (236) | 161,671 |
| | Remeasurements of post-employment benefit obligation | | - | - | - | 638 | - | (638) | - | - | (638) | - | - | - |
| | Total comprehensive income (loss) for the year | | - | - | - | 160,721 | - | - | 1,186 | - | 1,186 | 161,907 | (236) | 161,671 |
| | Balance as at 31 December 2023 | | 549,996 | 121,762 | 55,000 | 1,268,184 | 59,322 | - | (9,706) | (29,817) | 19,799 | 2,014,741 | (2,635) | 2,012,106 |
| | Balance as at 1 January 2024 | | 549,996 | 121,762 | 55,000 | 1,268,184 | 59,322 | - | (9,706) | (29,817) | 19,799 | 2,014,741 | (2,635) | 2,012,106 |
| Changes in shareholders' equity | | | | | | | | | | | | | | |
| | Dividend payment | 21.2 | - | - | - | (104,499) | - | - | - | - | - | (104,499) | - | (104,499) |
| | Total transactions with shareholders | | - | - | - | (104,499) | - | - | - | - | - | (104,499) | - | (104,499) |
| | Comprehensive income (loss) for the year | | - | - | - | 23,578 | - | - | 299 | - | 299 | 23,877 | (353) | 23,524 |
| | Total comprehensive income (loss) for the year | | - | - | - | 23,578 | - | - | 299 | - | 299 | 23,877 | (353) | 23,524 |
| | Balance as at 31 December 2024 | | 549,996 | 121,762 | 55,000 | 1,187,263 | 59,322 | - | (9,407) | (29,817) | 20,098 | 1,934,119 | (2,988) | 1,931,131 |

The accompanying notes form an integral part of these financial statements.

**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED 31 DECEMBER**

(Unit : Thousand Baht)

| | Note | Other components of equity | | | | | | Total |
|---|------|----------------------------|-----------------------------|-------------------|----------------|---|---|-----------|
| | | Paid - up Share Capital | Premium on Share capital | Retained earnings | | Other comprehensive income | | |
| | | | | Legal Reserve | Unappropriated | Surplus on revaluation of land - net of tax | Remeasurements of post- employment benefit obligation- net of tax | |
| Separate F/S | | | | | | | | |
| Balance as at 1 January 2023 | 0 | 549,996 | 121,762 | 55,000 | 1,150,309 | 44,382 | - | 1,921,449 |
| Changes in shareholders' equity | | | | | | | | |
| Dividend payment | 21.2 | - | - | - | (164,999) | - | - | (164,999) |
| Total transactions with shareholders | | - | - | - | (164,999) | - | - | (164,999) |
| Comprehensive income (loss) for the year | | - | - | - | 163,590 | - | 1,961 | 165,551 |
| Remeasurements of post-employment benefit obligation | | - | - | - | 1,961 | - | (1,961) | - |
| Total comprehensive income (loss) for the year | | - | - | - | 165,551 | - | - | 165,551 |
| Balance as at 31 December 2023 | | 549,996 | 121,762 | 55,000 | 1,150,861 | 44,382 | - | 1,922,001 |
| Balance as at 1 January 2024 | | 549,996 | 121,762 | 55,000 | 1,150,861 | 44,382 | - | 1,922,001 |
| Changes in shareholders' equity | | | | | | | | |
| Dividend payment | 21.2 | - | - | - | (104,499) | - | - | (104,499) |
| Total transactions with shareholders | | - | - | - | (104,499) | - | - | (104,499) |
| Comprehensive income (loss) for the year | | - | - | - | 13,128 | - | - | 13,128 |
| Total comprehensive income (loss) for the year | | - | - | - | 13,128 | - | - | 13,128 |
| Balance as at 31 December 2024 | | 549,996 | 121,762 | 55,000 | 1,059,490 | 44,382 | - | 1,830,630 |

The accompanying notes form an integral part of these financial statements.

**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED 31 DECEMBER**

(Unit : Thousand Baht)

| | Consolidated F/S | | Separate F/S | |
|--|------------------|----------------|---------------|----------------|
| | 2024 | 2023 | 2024 | 2023 |
| Cash flows from operating activities | | | | |
| Profit before income tax | 29,767 | 166,089 | 15,943 | 170,767 |
| Adjustments to reconcile profit before income tax to net cash provided from operating activities: | | | | |
| Provision (reversal) of expected credit losses | 1,461 | (1,063) | 8,774 | 13,093 |
| Provision (reversal) of allowance for decline value of inventories | 8,502 | (10,059) | 6,137 | (9,375) |
| Loss on impairment of goodwill | - | 15,086 | - | - |
| Depreciation | 59,178 | 54,665 | 24,752 | 25,176 |
| Loss on exchange rate | 582 | 1,789 | - | - |
| Loss on disposal and write-off fixed assets | 276 | 722 | 306 | 727 |
| Amortization | 263 | 362 | 220 | 313 |
| Interest income | (4,518) | (3,618) | (9,398) | (8,163) |
| Interest expense | 757 | 264 | 3,725 | 3,761 |
| Provision for post employee benefits obligation | 1,926 | 3,217 | 1,384 | 1,845 |
| Cash flows provided from operations before changes in operating assets and liabilities | 98,194 | 227,454 | 51,843 | 198,144 |
| Decrease (increase) in operating assets: | | | | |
| Trade and other accounts receivable | (41,500) | (9,569) | (35,346) | (16,463) |
| Inventories | 49,188 | (147,620) | 66,388 | (141,889) |
| Deposits for purchase of goods | (13,326) | 930 | (40,702) | (8,619) |
| Refundable value added tax | (1,969) | 2,899 | 4,722 | 2,899 |
| Refundable income tax | 4,906 | 5,233 | 1,750 | - |
| Other current assets | 10,925 | (7,586) | (157) | (488) |
| Other non-current assets | (413) | 13 | (13) | 11 |
| Increase (decrease) in operating liabilities: | | | | |
| Trade and other accounts payable | (18,521) | 32,369 | (15,053) | 34,647 |
| Accrued expenses | 4,126 | 2,840 | 2,018 | 2,981 |
| Value added tax payable | - | 571 | - | - |
| Other current liabilities | 3,432 | 1,299 | 3,735 | 805 |
| Post employee benefits obligation paid | (1,348) | (726) | (1,348) | - |
| Cash received from operating activities | 93,694 | 108,107 | 37,837 | 72,028 |
| Interest payment | (757) | (286) | (3,725) | (3,783) |
| Income tax paid | (28,710) | (6,441) | (25,837) | (3,284) |
| Net cash provided from operating activities | 64,227 | 101,380 | 8,275 | 64,961 |

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE YEARS ENDED 31 DECEMBER

(Unit : Thousand Baht)

| | Note | Consolidated F/S | | Separate F/S | |
|---|------|------------------|------------------|------------------|------------------|
| | | 2024 | 2023 | 2024 | 2023 |
| Cash flows from investing activities | | | | | |
| Interest received | | 4,507 | 3,618 | 9,386 | 8,163 |
| Acquisition of building and equipment | | (63,882) | (40,748) | (2,106) | (15,127) |
| Proceeds from sale of equipment | | 204 | 292 | 174 | 286 |
| Proceeds from short-term loans to subsidiary | | - | - | 35,500 | 9,000 |
| Payment short-term loan granted to subsidiary | | - | - | (29,000) | (12,500) |
| Net cash provided from (used in) investing activities | | (59,171) | (36,838) | 13,954 | (10,178) |
| Cash flows from financing activities | | | | | |
| Repayment for short-term loans from financial institutions | | - | (150,000) | - | (150,000) |
| Repayment for lease liabilities | | (1,890) | (2,377) | (6,383) | (6,423) |
| Dividend paid | 21.2 | (104,499) | (164,999) | (104,499) | (164,999) |
| Net cash used in financing activities | | (106,389) | (317,376) | (110,882) | (321,422) |
| Exchange rate gain on cash and cash equivalents | | (263) | (567) | - | - |
| Net decrease in cash and cash equivalents - net | | (101,596) | (253,401) | (88,653) | (266,639) |
| Cash and cash equivalents at beginning of year | | 341,893 | 595,294 | 320,720 | 587,359 |
| Cash and cash equivalents at end of year | | 240,297 | 341,893 | 232,067 | 320,720 |
| Supplemental disclosure for cash flows information | | | | | |
| Non - cash item : | | | | | |
| Account payable for purchase asset | | - | 1,999 | - | 629 |
| Recognition right-of-use asset with lease liabilities during the year | | 3,501 | 5,689 | 7,263 | 5,689 |

The accompanying notes form an integral part of these financial statements.

1. NATURE OF OPERATIONS

The Company

2S Metal Public Company Limited is principally engaged in the manufacturing of steel pipes, steel plates, light lip channel and steel wire mesh and trading of steel products. The Company has following 3 subsidiaries that are engaged in its business supporting.

Its subsidiaries

- Neastern Steel Co., Ltd., registered in Thailand, is engaged in the manufacturing of steel pipes, steel plates, light lip channels and steel wire mesh.
- Mega Trans and Logis Co., Ltd., registered in Thailand, is engaged in providing transportation services.
- Grand Steel Pipe Industry Co., Ltd., registered in Lao People's Democratic Republic, is engaged in the manufacturing of steel pipes, steel plates and light lip channel and trading of steel products.

2. GENERAL INFORMATION AND BASIS OF FINANCIAL STATEMENTS PREPARATION

2S Metal Public Company Limited is a public limited company incorporated and domiciled in Thailand. The address of its registered business office is 8/5 Moo 14, Tambon Thachang, Amphur Bangklam, Songkhla Province. The Company has four warehouses located in Nakhon Ratchasima, Bangkok, Suratthani and Nong Khai Provinces.

The accompanying consolidated and separate financial statements have been prepared in accordance with the Accounting Act B.E. 2543, Thai Financial Reporting Standards ("TFRS") issued under the Accounting Professions Act B.E. 2547 and the financial reporting requirements promulgated by the Thai Securities and Exchange Commission under the Securities and Exchange Act B.E. 2535. These financial statements are officially prepared in the Thai language. The translation of these financial statements to another language must conform to the official report in Thai.

The consolidated and separate financial statements have been prepared on the historical cost basis except accounting policies for property, plant and equipment - net (Note 12).

3. CHANGES IN THE FINANCIAL REPORTING STANDARDS

- 3.1 Commencing 1 January 2024, the Group has adopted amended financial reporting standards that are effective for accounting period beginning or after 1 January 2024 and relevant to the Group except for the adoption of the amendments to TAS 12 - Income taxes that related to the Pillar Two model rules. **In case the Group does not meet the criteria in respect of revenue as the Pillar Two Model rules:** The adoption of these standards does not have significant impact to the Group.
- 3.2 Amended financial reporting standards that are effective for the accounting period beginning on or after 1 January 2025.

- a) **Thai Financial Reporting Standard No.17 “Insurance Contracts”** has been announced in the Royal Gazette on 19 August 2022 and will be effective for the financial statements for the period beginning on or after 1 January 2025 onwards.
- b) **Amendments to TAS 1 Presentation of Financial Statements** clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity’s expectations or events after the reporting period (for example, the receipt of a waiver or a breach of covenant).

Covenants of loan arrangements will not affect classification of a liability as current or non-current at the end of reporting period if the entity must only comply with the covenants after the reporting period. However, if the entity must comply with a covenant either before or at the end of reporting period, this will affect the classification as current or non-current even if the covenant is only tested for compliance after the reporting period.

The amendments require disclosures if an entity classifies a liability as non-current and that liability is subject to covenants with which the entity must comply within 12 months of the reporting period. The disclosures include:

- the carrying amount of the liability;
- information about the covenants; and
- facts and circumstances, if any, that indicate that the entity might have difficulty complying with the covenants.

The amendments also clarify what TAS 1 means when it refers to the ‘settlement’ of a liability. Terms of a liability that could, at the option of the counterparty, result in its settlement by the transfer of the entity’s own equity instrument can only be ignored for the purpose of classifying the liability as current or non-current if the entity classifies the option as an equity instrument.

The amendments must be applied retrospectively in accordance with the normal requirements in TAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

- c) **Amendments to TFRS 16 Leases** added to the requirements for sale and leaseback transactions which explain how an entity accounts for a sale and leaseback after the date of the transaction.

The amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines ‘lease payments’ and ‘revised lease payments’ in a way that does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right of use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate.

- d) **Amendments to TAS 7 Statement of cash flows and TFRS 7 Financial instruments: Disclosures** require specific disclosures about supplier finance arrangements (SFAs). The amendments respond to investors that said that they urgently needed more information about SFAs to be able to assess how these arrangements affect an entity’s liabilities, cash flows and liquidity risk.

To meet investors' needs, the new disclosures will provide information about:

- (1) The terms and conditions of SFAs.
- (2) The carrying amount of financial liabilities that are part of SFAs, and the line items in which those liabilities are presented.
- (3) The carrying amount of the financial liabilities in (2), for which the suppliers have already received payment from the finance providers.
- (4) The range of payment due dates for both the financial liabilities that are part of SFAs, and comparable trade payables that are not part of such arrangements.
- (5) Non-cash changes in the carrying amounts of financial liabilities in (2).
- (6) Access to SFA facilities and concentration of liquidity risk with the finance providers.

The Group has not yet adopted these standards. The Group's management is currently assessing the impact of adoption of these standards.

4. SIGNIFICANT ACCOUNTING POLICIES

The consolidated and separate financial statements have been prepared using the significant accounting policies and measurement basis summarized below.

4.1 Basis of consolidation

The Company prepares the consolidated financial statements from those of the Company and all its subsidiaries for which all subsidiaries have the same reporting date as the Company at 31 December.

All transactions and balances between Group companies are eliminated on consolidation, including unrealized gains and losses on transactions between Group companies. Where unrealized losses on intra-group asset sales are reversed in the consolidation, the underlying asset is also tested for impairment from the group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable.

The Group attributes total comprehensive income or loss of subsidiaries between the owners of the Company and the non-controlling interests based on their respective ownership interests.

4.2 Business combinations

Business combinations are accounted for using the acquisition method with the cost of the acquisition being the fair value at the acquisition date of consideration transferred, and the amount of any non-controlling interest in the seller. For each business combination, the Company measures the non-controlling interest, in the acquiree either at fair value or at the proportionate share of the seller's identifiable net assets.

Goodwill is measured at fair value of the consideration transferred including the recognized amount of any non-controlling interest in the acquiree, less the net recognized amount (fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date.

4.3 Foreign currency translation

a) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Any exchange component of gains and losses on a non-monetary item that recognised in profit or loss, or other comprehensive income is recognised following the recognition of a gain or loss on the non-monetary item.

4.4 Segment reporting

The Group has two operating segments: production and trading. In identifying these operating segments, management generally follows the Group's operations representing its main products (see Notes 23).

Each of these operating segments is managed separately as each requires different marketing approaches and other resources. All inter-segment transfers are carried out at arm's length prices based on prices charged to unrelated customers in standalone sales of identical goods.

For management purposes, the Group uses the same measurement policies as those used in its financial statements.

4.5 Related parties

Related parties comprise enterprises and individuals that control, or are controlled by the Group, whether directly or indirectly, or which are under common control with the Group. They also include associated companies and individuals which directly or indirectly own voting interest in the Group that gives them significant influence over the Group, key management personnel, directors, and officers with authority in the planning and directing the Group's operations.

4.6 Revenue

Revenue includes all revenues from ordinary business activities. All ancillary income in connection with the delivery of goods and rendering of services in the course of the Company's ordinary activities are also presented as revenue.

Revenues are recognized in accordance with the provision of goods or services, provided that collectability of the consideration is probable.

Multiple element arrangements involving delivery or provision of multiple products or services are separated into individual distinct performance obligations. Total transaction price of the bundled contract is allocated to each performance obligation based on their relative standalone selling prices or estimated standalone selling prices. Each performance obligation is recognized as revenue on fulfilment of the obligation to the customer.

Sale of goods

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and service in the ordinary course of the Company's activities. Revenue is shown net of value-added tax, returns, rebates and discounts. Sales are recognised when control of the products has transferred, being when the products are delivered.

The goods are often sold with retrospective volume discounts based on aggregate sales over a 12 month period. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A refund liability (included in trade and other payables) is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. No significant element of financing is deemed present as the sales are made with a credit term between 7 days to 120 days, which is consistent with market practice.

Services

The Group recognised service contracts with a continuous service provision as revenue on a straight line basis over the contract term, regardless of the payment pattern.

Interest income and other income

Interest income is recognised on an accrual basis, using the effective interest method.

Other income is recognised on an accrual basis.

Payments to customers

Payments to customers or on behalf of customers to other parties, including credited or subsequent discounts, are recognised as a reduction in revenue unless the payment constitutes consideration of a distinct goods or service from the customer.

4.7 Operating expenses

Operating expenses are recognized in profit or loss upon utilization of the service or as incurred.

4.8 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized over time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported as part of finance costs.

4.9 Cash and cash equivalents

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call, short-term highly liquid investments with maturities of three months or less from acquisition date.

4.10 Accounts receivable

Accounts receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement between 7 days to 120 days and therefore are all classified as current.

Accounts receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, they are recognised at fair value. The Company holds the accounts receivable with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

4.11 Financial asset

a) Classification

The Company classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Company has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, they are measured at FVPL.

b) Recognition and derecognition

Regular way of purchases, acquisitions and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

c) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered for entire total in determining whether the cash flows are solely payment of principal and interest.

d) Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Company classifies its debt instruments:

- Amortised cost: Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of comprehensive income.
- FVOCI: Financial assets that are held for i) collection of contractual cash flows; and ii) for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest income using the effective interest method, and foreign exchange gains and losses which are recognised in profit or loss. When the financial assets is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income is included in other income. Impairment expenses are presented separately in the statement of comprehensive income.
- FVPL: Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

e) Impairment

The Company assesses on a forward-looking basis for expected credit loss associated with its debt instruments carried at amortised cost and FVOCI. The impairment measurement depends on whether there has been a significant increase in credit risk.

For trade receivables, the Company applies the Simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

The Group applies the TFRS 9 Simplified approach to measuring expected credit losses with the simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables. To measure the expected credit losses, trade receivables have been grouped based on the days past due. The expected loss rates are based on the payment profiles and the corresponding historical credit losses which are adjusted to reflect the current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables, and accordingly adjusts the historical loss rates based on expected changes. The impairment losses are recognised in profit or loss within administrative expenses.

Impairment (and reversal of impairment) losses are recognised in profit or loss and included in administrative expenses.

4.12 Financial liabilities

a) Classification

Financial instruments issued by the Company are classified as either financial liabilities or equity securities by considering contractual obligations.

- Where the Company has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Company's own equity instruments.
- Where the Company has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

b) Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

c) Derecognition and modification

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Company assesses whether the renegotiation / modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains/(losses) in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated / modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains/(losses) in profit or loss.

4.13 Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost of inventories is determined by the moving average method. Cost of raw materials comprise all purchase cost and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts, allowances or rebates. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads, the latter being allocated based on normal operating capacity. It excludes borrowing costs. Net realisable value is the estimate of the selling price in the ordinary course of business, less applicable variable selling expenses. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

4.14 Investments in subsidiaries

Investments in subsidiaries in the separate statement of financial position are accounted for by the cost method. The Company recognizes gain or loss on sale of investment in the statement of profit or loss in the year the investment is sold. In the case of impairment, the Company will recognize the loss from impairment as an expense in the statement of profit or loss. The Company recognizes dividend income upon the subsidiary's declaration of the payment.

Subsidiary

A subsidiary is an entity controlled by the Company. The Company controls an entity when it has exposure to, or has rights to, variable returns from its involvement with the entity and has ability to affect those returns through its power over the entities. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

4.15 Property, plant and equipment

Land

Land held for use in production is stated at revalued amounts. Revalued amounts are fair values based on appraisals of independent professional appraisers once the market factors indicate a material change in fair value (see Note 12). Any revaluation surplus is recognized as other comprehensive income and credited to the revaluation reserve under equity. To the extent that any revaluation decreases, or impairment loss (if any) has previously been recognized in profit or loss, a revaluation increase is credited to profit or loss with the remaining part of the increase recognized in other comprehensive income. Downward revaluations of land are recognized upon appraisal or impairment testing, with the decrease being charged to other comprehensive income to the extent of any revaluation surplus in equity relating to this asset and any remaining decrement recognized in profit or loss. Any revaluation surplus remaining in equity on disposal of the asset is transferred to retained earnings.

Buildings and other equipment

Buildings and other equipment are initially booked at acquisition cost or construction cost, including any costs directly attributable to bringing assets to the location and condition necessary for operation in the manner intended by the Group's management. Buildings and other equipment are subsequently measured at cost less accumulated depreciation and impairment losses (if any).

Depreciation is recognized on a straight-line basis to write down the cost over the following estimated useful lives.

| | |
|--------------------------------|---------------|
| Land improvement | 5 - 20 years |
| Buildings and construction | 15 - 50 years |
| Machinery and factory tools | 5 - 20 years |
| Furniture and office equipment | 5 - 10 years |
| Vehicles | 5 - 15 years |

Asset residual value estimates and estimated useful lives are updated as required, but at least annually.

Gains or losses arising from disposal of property, plant and equipment are determined based on the difference between the disposal proceeds and the carrying amount of the assets and are recognized in profit or loss as other income or other expenses.

4.16 Investment property

Investment property is measured initially at its cost including related transaction costs and valued at cost less accumulated depreciation and allowance for impairment (if any). The depreciation for building is computed by straight-line method at the useful lives of 15 years.

4.17 Intangible assets

Computer software is presented at cost less accumulated amortization. Amortization is calculated by reference to cost on a straight-line basis over the estimated time frame of 5 - 10 years.

4.18 Goodwill

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognized. Goodwill is carried at cost less accumulated impairment losses (if any).

4.19 Lease assets

Leases - where the Group is the lessee

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Measurement and recognition of leases as a lessee

At lease commencement date, the Group recognises a right-of-use asset and a lease liability in its consolidated and separated statement of financial position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use asset on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the Group's incremental borrowing rate because as the lease contracts are negotiated with third parties it is not possible to determine the interest rate that is implicit in the lease. The incremental borrowing rate is the estimated rate that the Group would have to pay to borrow the same amount over a similar term to obtain an asset of equivalent value.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

After the initial measurement, the lease liability will be reduced from the payment and increased from interest expense. This is a measure to reflect a new appraisal or adjustment or significant changes to the fixed lease. When the lease liability is remeasured, the right-of-use assets have decreased to be zero, the lessee must recognize the remainder of the remeasurement in profit or loss.

The rent paid under short-term leases and low value asset leases are recognized as expense on a straight-line method. The short-term lease is a lease with a lease term less than or equal 12 months, the assets with low value comprises small office equipment lease.

4.20 Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the financial instrument.

The Group are derecognized financial assets when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

Classification and initial measurement of financial assets

Financial assets are initially recognized at fair value plus or less directly costs attributable to the acquisition of the asset. For financial assets measured at fair value through profit or loss (FVTPL), the Group recognizes the associated costs as an expense in profit or loss.

The Group classify financial assets measurement by amortized cost method, fair value through other comprehensive income (FVOCI), or fair value through profit or loss (FVTPL) the classification is determined by both as follow:

1. The entity's business model for managing the financial asset, and
2. The contractual cash flow characteristics of the financial asset (SPPI).

The Group classified revenue and expenses relating to financial assets that are recognized in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Subsequent measurement of financial assets

Financial assets at amortized cost

Financial assets are measured at amortized cost if the assets meet the following conditions.

1. They are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows, and
2. The contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are held within a different business model other than hold to collect contractual cash flows or hold to collect contractual cash flows and sell financial assets are categorized at fair value through profit or loss (FVTPL). Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at financial assets at fair value through profit or loss. All derivative financial instruments fall into this category.

Financial assets at fair value through other comprehensive income (FVOCI)

The Group accounts for financial assets at fair value through other comprehensive income if the assets meet the following conditions:

1. The Group held under a business model whose objective is “hold to collect” the associated cash flows and sell, and
2. the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI) on the specified day.

Any gains or losses recognized in other comprehensive income (OCI) will be recycled upon derecognition of the asset.

Impairment

The Group has considered impairment for financial assets that are measured at amortized cost. And measure fair value through other comprehensive income (FVOCI).

The Group uses a simplified approach to recognize impairment of accounts receivable and other receivable and loan to other entity and related party. According to estimates of credit losses over the life of such assets since the Group recognize accounts receivable and other receivable and loan to other entity and related party.

In determining the expected credit loss, management grouped receivables by type of customers and consider credit risks that are of a common nature. The expected credit loss rate is determined by the nature of the payment in the past. Information of credit losses from experience, external factors, and future factors that may affect debtor payment.

The Group assesses credit risk of financial assets at the end of every period whether there has been a significant change.

The Group considers and recognizes the expected credit loss by taking into account the past experience and anticipating the future. The recognized credit losses arise from the weighted average credit loss probability estimate. The amount of cash expected to be discounted the effective interest rate.

Losses and reversals of impairment losses are recorded in profit or loss separately.

Classification and measurement of financial liabilities

The Group classifies the financial instruments issued by the Group as financial liabilities or equity instruments considered based on contractual obligations to deliver the financial assets to other persons or entities.

The Group’s financial liabilities include borrowings, trade and other payables and derivative financial instruments.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs of financial liability.

Subsequent measurement of financial liabilities

Financial liabilities are subsequently measured at amortized cost. Interest expense is to be calculated by using effective interest rate and charged to statement of profit or loss except for derivatives liabilities are measured at fair value through other comprehensive income (FVOCI).

4.21 Impairment testing of assets

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset recoverable amounts are estimated.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognized in profit or loss.

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the greater of the asset value in use and fair value less costs to sell. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Impairment losses recognized in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

4.22 Equity

Share capital represents the value of shares that have been issued.

Share premium includes any premiums received on the issuance of share capital. Any transaction costs associated with the issuance of shares are deducted from share premium, net of any related income tax benefits.

Other components of shareholders' equity include the following:

Other comprehensive income

- revaluation of land reserve – comprises gains and losses from the revaluation of land (see Note 4.16)
- translation adjustment for foreign currency financial statement – comprises gains and losses from the translation of foreign operations entity with a functional currency other than Thai Baht (see Note 4.4)
- discount on dilution of investment in subsidiaries company - comprises dilution loss arose on shares issued by the subsidiaries and sold to third parties.

Retained earnings includes all current and prior period retained profits.

All transactions with owners of the Company are recorded separately as part of equity.

4.23 Dividend distribution

Dividend distributed to the Company's shareholders is recognised as a liability when interim dividends are approved by the Board of Directors, and when the annual dividends are approved by the shareholders.

4.24 Post-employment benefits and short-term employee benefits

Post-employment benefit plans

The Group provides post-employment benefits through various defined contribution and retirement benefit plans.

Defined contribution plans

The Group has sets up a registered provident fund that is contributed to by employees and by the Group for which assets are held in a separate trustee fund and managed by an authorised fund manager. The Group has no legal or constructive obligations to pay contributions in addition to its fixed contributions, which are recognized as an expense in the period that related employee services are received.

Retirement benefit plans

The Group has a legal obligation to pay retirement benefits by reference to the employee's length of service and the latest payment of salary. The liability recognized in the statement of financial position for retirement benefit plans is the present value of the retirement benefit obligation at the reporting date.

Management estimates the retirement benefits annually by reference to the calculation of the independent actuary. This is based on salary growth rate, turnover and mortality. Discount factors are determined close to each year-end by reference to Thai government bonds with terms to maturity approximating the terms of the related pension liability.

Gains and losses resulting from remeasurements of the net retirement benefit liability under the new regulation are included in other comprehensive income and directly transferred to the retained earnings.

Short-term employee benefits

Short-term employee benefits, including salaries, wages, bonuses and contribution to the social security as expenses when incurred.

4.25 Income tax

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity.

Current income tax is the expected tax payable or claimable on the taxable income or loss for the year, using tax rates enacted or substantially enacted at the end of the reporting period, and any adjustment to tax payable in respect of earlier years.

Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary differences will be utilized against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Deferred tax liabilities are generally recognized in full, except for the exemption under TAS 12: "Income Taxes". As a result of these exemptions, the Group does not recognize deferred tax on temporary differences relating to goodwill, or to its investments in subsidiaries.

4.26 Basic earnings per share

Basic earnings per share are computed by dividing the income for the year by the weighted average number of common shares outstanding during the year.

4.27 Provisions, contingent assets and contingent liabilities

Provisions for product warranties, legal disputes, onerous contracts or other claims are recognized when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Group and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Group is virtually certain to collect from a third party with respect to the obligation is recognized as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognized if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities unless the outflow of resources is remote.

4.28 Critical accounting estimates and judgement

Estimates and judgement are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstance.

Reduction of inventory cost to net realizable value

In determining a reduction of inventory cost to net realizable value, the management makes judgement and estimates the net realizable value of inventory based on the amount of the inventories are expected to realize. These estimates take into consideration fluctuations of selling price or cost directly relating to events occurring at the year ended.

Building and equipment, investment property and computer software

Management determines the estimated useful lives and residual values of the Company's building and equipment, investment property and computer software and will revise the depreciation and amortization charges where useful lives and residual values previously estimated have changed or are subject to be written down or if they are no longer in use.

Leases

Determine the lease terms

Critical judgement in determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of properties, the most relevant factors are historical lease durations, the costs and conditions of leased assets.

Most extension options on offices and vehicles leases have not been included in the lease liability, because the Group considers i) the underlying asset condition and/or ii) insignificant cost to replace the leased assets.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstance affecting this assessment occur, and that it is within the control of the Group.

Determination of the discount rate on lease liabilities

The Group determines the incremental borrowing rate as follows:

- Where possible, use recent third-party financing received by the individual lessee as a starting point, adjusting to reflect changes in its financing conditions.
- Make adjustments specific to the lease, e.g. term, country, currency and security.

Impairment of investments in subsidiaries and goodwill

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Uncertainty in the estimation relates to assumptions about future operating results and the determination of a suitable discount rate.

Defined employee benefit obligation

Management's estimates of the defined employee benefit obligation based on number of critical underlying assumptions such as standard rates of inflation, mortality rate, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the defined employee benefit obligation amount and the annual defined benefit expenses.

Fair value measurement

Management uses valuation techniques to determine the fair value of land. This involves developing estimates and assumptions consistent with how market participants to price the assets. Management determines the assumptions based on observable data as far as possible, but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved on an arm's length transaction at the end of year.

Allowance for expected credit loss

The Group sets an allowance for doubtful accounts to reflect impairment of trade accounts receivable resulting from possible non-collection of receivables. The allowance is based on a review of the expected credit loss. Management groups receivables by type of customers and considers credit risks that are of a common nature. The expected credit loss rate is determined by the nature of payments in the past. Information of credit losses from experience, external factors, and future factors that may affect debtor payment which is considered at the end of every period.

5. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Classification of financial assets and financial liabilities

The balance of financial assets and financial liabilities as at 31 December 2024 are as follows:

(Unit: Thousand Baht)

| | Consolidated F/S | | | Total |
|---|------------------|-----------------------------------|---|----------------|
| | Amortized cost | Fair value through profit or loss | Fair value through other comprehensive profit or loss | |
| Financial assets | | | | |
| Cash at banks | 240,194 | - | - | 240,194 |
| Trade and other accounts receivable - net | 378,830 | - | - | 378,830 |
| Total | 619,024 | - | - | 619,024 |
| Financial liabilities | | | | |
| Trade and other accounts payable | 60,000 | - | - | 60,000 |
| Lease liabilities | 9,142 | - | - | 9,142 |
| Total | 69,142 | - | - | 69,142 |

(Unit: Thousand Baht))

| | Separate F/S | | | Total |
|---|----------------|-----------------------------------|---|----------------|
| | Amortized cost | Fair value through profit or loss | Fair value through other comprehensive profit or loss | |
| Financial assets | | | | |
| Cash at banks | 232,021 | - | - | 232,021 |
| Trade accounts receivable and other - net | 376,988 | - | - | 376,988 |
| Loan to subsidiary company | 72,333 | - | - | 72,333 |
| Total | 681,342 | - | - | 681,342 |
| Financial liabilities | | | | |
| Trade and other accounts payable | 69,788 | - | - | 69,788 |
| Lease liabilities | 65,598 | - | - | 65,598 |
| Total | 135,386 | - | - | 135,386 |

6. INTERESTS IN SUBSIDIARIES

Composition of the group

Details of the subsidiaries held directly by the Company are as follow:

| Subsidiary companies | Country of incorporation and business | Proportion of ownership interest held by the Group at year ended (percentage) | | Principal activity |
|-------------------------------------|---------------------------------------|---|-------|---|
| | | 2024 | 2023 | |
| Neastern Steel Co., Ltd. | Thai | 99.99 | 99.99 | Manufacturing of steel pipes, steel plates, light lip channels and steel wire mesh |
| Mega Trans and Logis Co., Ltd. | Thai | 99.99 | 99.99 | Transportation services for heavy products |
| Grand Steel Pipe Industry Co., Ltd. | Laos | 97.11 | 97.11 | Manufacturing and sale of steel pipe, steel plates and light lip channel and trading of steel products. |

7. RELATED PARTY TRANSACTIONS

The Group has transactions with related parties that are related through common shareholding and/or directorship. Thus, the consolidated and separate financial statements reflect the effects of those transactions on the basis agreed upon between the Group and its related parties, which might be different from the basis used for transactions with unrelated parties.

Nature of relationship

| Name of entities | Country of Incorporation /nationality | Nature of relationship |
|----------------------------------|---------------------------------------|---|
| <i>Related parties</i> | | |
| Nana Watsadu Furniture Co., Ltd. | Thailand | Co-shareholders |
| Panichsawad Co., Ltd. | Thailand | Co-related party |
| United Steel Pipe Co., Ltd. | Thailand | Co-shareholders |
| City Metal Co., Ltd. | Thailand | Co-shareholders |
| Kwangfha Lohakit | Thailand | Co-shareholders |
| <i>Key management</i> | Thailand | Directors and managements |
| <i>Related person</i> | Laos | Person who is a close member of the family of a director and management of a subsidiary |

Pricing policies

| Transactions | Pricing policies |
|---|--|
| Revenue from sales, purchase of goods, and transportation service | Agree-upon basis based on market price |
| Rental of assets and other service income and expenses | Mutually agreed |
| Interest income and expenses | As specified in agreement |
| Manufacturing cost | Cost plus margin |
| Management compensation | According to the shareholders' meeting |

Significant balances with related parties as at 31 December 2024 and 2023 are as follows:

| | Consolidated F/S | | Separate F/S | |
|---|------------------|--------------|---------------|---------------|
| | 2024 | 2023 | 2024 | 2023 |
| (Unit: Thousand Baht) | | | | |
| Trade and other accounts receivable | | | | |
| Subsidiary companies | - | - | 502 | 16,418 |
| Related company | 982 | 2,796 | 982 | 2,796 |
| Total | 982 | 2,796 | 1,484 | 19,214 |
| Deposits for purchase of goods | | | | |
| Subsidiary companies | - | - | 36,924 | 9,549 |
| Short-term loans and interest receivable | | | | |
| Subsidiary companies | - | - | 62,933 | 69,421 |
| Long-term loans receivable | | | | |
| Subsidiary company | - | - | 9,400 | 9,400 |
| Total loans and interest receivable | - | - | 72,333 | 78,821 |

Significant movements in loans to subsidiaries and accrued interest income for the year ended 31 December 2024 are as follows:

| | 1 January 2024 | (Unit: Thousand Baht) | | 31 December 2024 |
|----------------------|-------------------|-----------------------|----------|------------------------|
| | | During the year | | |
| | | Increase | Decrease | |
| Subsidiary companies | 78,821 | 29,098 | 35,586 | 72,333 |

Short-term loans to subsidiaries in Thailand have been granted without collateral and bear interest at MRR per annum and are repayable on demand.

Long-term loans to the subsidiary in Thailand have been granted without collateral and bear interest at 4% per annum. The interest is payable monthly while the principal amount is due at the end of year 2026.

| | Consolidated F/S | | Separate F/S | |
|---|------------------|---------------|---------------|---------------|
| | 2024 | 2023 | 2024 | 2023 |
| Trade and other accounts payable | | | | |
| Subsidiary companies | - | - | 14,492 | 10,163 |
| Related parties | 7,704 | 13,215 | 7,704 | 13,215 |
| Total | 7,704 | 13,215 | 22,196 | 23,378 |
| Lease Liabilities | | | | |
| Subsidiary companies | - | - | 56,456 | 69,285 |
| Related parties | 1,171 | 2,291 | 1,171 | 2,291 |
| Total | 1,171 | 2,291 | 57,627 | 71,576 |
| Employee benefits obligation | | | | |
| Key management personnel | | | | |
| - Post-employment benefits | 16,639 | 15,896 | 13,651 | 13,080 |

Significant transactions with the related parties for the years ended 31 December 2024 and 2023 are as follows:

| Transaction with related parties | (Unit: Thousand Baht) | | | |
|---|---------------------------------|----------------|----------------|----------------|
| | Consolidated F/S | | Separate F/S | |
| | For the years ended 31 December | | | |
| | 2024 | 2023 | 2024 | 2023 |
| Sales | | | | |
| Related parties | 418,082 | 510,571 | 418,082 | 510,571 |
| Subsidiary company | - | - | 12,196 | 24,492 |
| Total | 418,082 | 510,571 | 430,278 | 535,063 |
| Asset rental and other service income | | | | |
| Related companies | - | - | - | - |
| Subsidiary company | - | - | 380 | 801 |
| Total | - | - | 380 | 801 |
| Interest income | | | | |
| Subsidiary companies | - | - | 4,943 | 3,878 |
| Purchase of goods and service | | | | |
| Related parties | 568,358 | 789,362 | 568,358 | 789,362 |
| Subsidiary company | - | - | 109,787 | 9,451 |
| Total | 568,358 | 789,362 | 678,145 | 798,813 |
| Manufacturing cost | | | | |
| Subsidiary company | - | - | 149,349 | 113,856 |
| Transportation service | | | | |
| Subsidiary company | - | - | 74,000 | 75,113 |
| Rental assets and other service expenses | | | | |
| Related parties | 1,200 | 1,200 | 1,200 | 1,200 |
| Subsidiary company | - | - | 8,986 | 9,706 |
| Total | 1,200 | 1,200 | 10,186 | 10,906 |
| Key management personnel compensation | | | | |
| Short-term employee benefits | 33,928 | 30,823 | 23,554 | 23,230 |
| Post-employment benefits | 743 | 1,289 | 571 | 1,073 |
| Total | 34,401 | 32,112 | 24,125 | 24,303 |

A subsidiary company jointly guaranteed the Company's credit facilities granted by a financial institution totaling Baht 37.98 million by mortgaging land amounting to Baht 6 million as a secondary guarantee.

8. CASH AND CASH EQUIVALENTS

| | Consolidated F/S | | (Unit: Thousand Baht) Separate F/S | |
|-------------------|------------------|----------------|---------------------------------------|----------------|
| | 2024 | 2023 | 2024 | 2023 |
| | Cash on hand | 103 | 49 | 46 |
| Cash at banks | | | | |
| - Current account | 31,106 | 34,695 | 26,140 | 22,715 |
| - Saving account | 209,088 | 307,149 | 205,881 | 297,984 |
| Total | 240,297 | 341,893 | 232,067 | 320,720 |

As at 31 December 2024, most of cash and cash equivalents were cash at banks in savings accounts with interest rates of 0.15% - 0.55% per annum (2023: interest rates were 0.15% - 1.50% per annum).

9. TRADE AND OTHER ACCOUNTS RECEIVABLE – NET

| | Consolidated F/S | | (Unit: Thousand Baht) Separate F/S | |
|--|---------------------------|----------------|---------------------------------------|----------------|
| | 2024 | 2023 | 2024 | 2023 |
| | Trade accounts receivable | | | |
| - general customers – net | 377,846 | 335,987 | 375,504 | 331,202 |
| Trade accounts receivable | | | | |
| - Subsidiary companies | - | - | 502 | 16,418 |
| Trade accounts receivable | | | | |
| - related companies | 982 | 2,796 | 982 | 2,796 |
| Total | 378,828 | 338,783 | 376,988 | 350,416 |
| Other accounts receivable | | | | |
| - general customers | 2 | 8 | - | - |
| Total | 2 | 8 | - | - |
| Total trade and other accounts receivable - net | 378,830 | 338,791 | 376,988 | 350,416 |

Aging analysis of the trade accounts receivable - general customers and related companies as at 31 December 2024 and 2023 are as follows:

| | (Unit : Thousand Baht) | | | |
|--|------------------------|----------------|----------------|----------------|
| | Consolidated F/S | | Separate F/S | |
| | 2024 | 2023 | 2024 | 2023 |
| <u>Trade accounts receivable - general customers and related companies</u> | | | | |
| Not yet due | 323,817 | 285,730 | 322,480 | 283,589 |
| Past due | | | | |
| Less than 3 months | 48,804 | 50,957 | 48,301 | 50,002 |
| More than 3 - 6 months | 6,850 | 2,099 | 6,850 | 14,679 |
| More than 6 - 12 months | 4,212 | 917 | 4,212 | 3,634 |
| Over 12 months | 10,668 | 13,142 | 32,137 | 26,730 |
| Total | 394,351 | 352,845 | 413,980 | 378,634 |
| <u>Less</u> Allowance for expected credit losses | (15,523) | (14,062) | (36,992) | (28,218) |
| Trade accounts receivable - general customers and related companies - net | 378,828 | 338,783 | 376,988 | 350,416 |

During the years, the movements in the allowance for expected credit losses are as follows:

| | (Unit : Thousand Baht) | | | |
|--|------------------------|-----------------|-----------------|-----------------|
| | Consolidated F/S | | Separate F/S | |
| | 2024 | 2023 | 2024 | 2023 |
| Balance as at 1 January | (14,062) | (15,125) | (28,218) | (15,125) |
| <u>Add</u> Allowance for expected credit losses | (9,057) | (6,349) | (16,370) | (20,505) |
| <u>Less</u> Reversal of allowance for expected credit losses | 7,596 | 7,412 | 7,596 | 7,412 |
| Balance as at 31 December | (15,523) | (14,062) | (36,992) | (28,218) |

10. INVENTORIES – NET

| | (Unit : Thousand Baht) | | | |
|---|------------------------|----------------|----------------|----------------|
| | Consolidated F/S | | Separate F/S | |
| | 2024 | 2023 | 2024 | 2023 |
| Raw materials | 131,038 | 180,553 | 123,126 | 173,047 |
| Work in process | 49,554 | 43,999 | 46,611 | 42,274 |
| Finished goods | 384,431 | 395,079 | 362,718 | 389,228 |
| Materials and goods in transit | 193,578 | 187,820 | 193,578 | 187,820 |
| Factory supplies | 6,647 | 6,985 | 2,417 | 2,470 |
| Total | 765,248 | 814,436 | 728,450 | 794,839 |
| <u>Less</u> Allowance for decline values of inventories | (13,262) | (4,760) | (10,888) | (4,751) |
| Net | 751,986 | 809,676 | 717,562 | 790,088 |

During the years, the movements in allowance for decline values of inventories are as follows:

| | (Unit : Thousand Baht) | | | |
|---|------------------------|----------|--------------|----------|
| | Consolidated F/S | | Separate F/S | |
| | 2024 | 2023 | 2024 | 2023 |
| Balance as at 1 January | (4,760) | (14,819) | (4,751) | (14,126) |
| <u>Add</u> Additional allowance for decline values of inventories | 55,637 | (23,037) | 53,092 | (22,954) |
| <u>Less</u> Reversal of allowance for decline values of inventories | 47,135 | 33,096 | 46,955 | 32,329 |
| Balance as at 31 December | (13,262) | (4,760) | (10,888) | (4,751) |

Items included in the costs of goods sold are as follows:

| | (Unit : Thousand Baht) | | | |
|---|------------------------|-----------|--------------|-----------|
| | Consolidated F/S | | Separate F/S | |
| | 2024 | 2023 | 2024 | 2023 |
| Costs of goods sold | 7,119,384 | 6,361,720 | 7,031,690 | 6,259,818 |
| <u>Add</u> Allowance for decline values of inventories | 55,637 | 23,037 | 53,092 | 22,954 |
| <u>Less</u> Allowance for decline values of inventories | (47,135) | (33,096) | (46,955) | (32,329) |
| Total costs of sales | 7,127,886 | 6,351,661 | 7,037,827 | 6,250,443 |

11. INVESTMENTS IN SUBSIDIARIES

| | (Unit : Thousand Baht) | | | | | | | |
|-------------------------------------|------------------------|---------|----------------------------|-------|--------------|-----------------|-------------|-----------------|
| | Paid-up capital | | Percentage of shareholding | | Separate F/S | | | |
| | | | | | 2024 | | 2023 | |
| | 2024 | 2023 | 2024 | 2023 | Investments | Dividend income | Investments | Dividend income |
| Neastern Steel Co., Ltd. | 90,000 | 90,000 | 99.99 | 99.99 | 99,000 | - | 99,000 | - |
| Mega Trans and Logis Co., Ltd. | 30,000 | 30,000 | 99.99 | 99.99 | 30,000 | - | 30,000 | - |
| Grand Steel Pipe Industry Co., Ltd. | 121,970 | 121,970 | 97.11 | 97.11 | 87,770 | - | 87,770 | - |
| Total | | | | | 216,770 | - | 216,770 | |

Impairment testing of investment in Grand Steel Pipe Industry Co., Ltd.

The Company tests impairment of investment when it's has indicator by comparing the net book value of investment with the recoverable amount of a CGU, which is determined based on value-in-use calculations. These calculations use cash flow projections from financial budgets that are approved by the management. Cash flows beyond the projected period are extrapolated using the estimated growth rates stated below. The growth rate does not exceed the average long-term growth rate for the business in which the CGU operates.

As at 31 December 2024, the key assumptions used for value-in-use calculations are as follows:

| | Separate F/S |
|-------------------|--------------|
| | 2024 |
| Growth rate (%) | 1.00 |
| Discount rate (%) | 15.26 |

If the discount rate used in the calculation increases by 1.0% per annum, investment in Grand Steel Pipe Industry Co., Ltd. recorded in the separate financial statements for the year ended 31 December 2024. There is no impairment.

12. PROPERTY, PLANT AND EQUIPMENT – NET

(Unit : Thousand Baht)

| | Consolidated F/S | | | | | | Total |
|---------------------------------------|----------------------|----------------------------|-----------------------------|--------------------------------|----------|-----------------------------------|-----------|
| | Land and improvement | Buildings and construction | Machinery and factory tools | Furniture and office equipment | Vehicles | Assets in transit and in progress | |
| Cost | | | | | | | |
| 1 January 2024 | 202,911 | 364,365 | 620,166 | 29,149 | 163,788 | 5,316 | 1,385,695 |
| Acquisitions | - | - | 2,741 | 441 | 1,096 | 59,604 | 63,882 |
| Disposals | - | - | (2,585) | (1,265) | (5) | - | (3,855) |
| Transfer in / (out) | - | 12,039 | 52,566 | 210 | - | (64,815) | - |
| 31 December 2024 | 202,911 | 376,404 | 672,888 | 28,535 | 164,879 | 105 | 1,445,722 |
| Accumulated depreciation | | | | | | | |
| 1 January 2024 | (20,060) | (192,627) | (430,769) | (24,755) | (88,152) | - | (756,363) |
| Depreciation for the year | (1,791) | (15,501) | (29,512) | (1,736) | (7,888) | - | (56,428) |
| Depreciation for disposals | - | - | 2,105 | 1,265 | 5 | - | 3,375 |
| 31 December 2024 | (21,851) | (208,128) | (458,176) | (25,226) | (96,035) | - | (809,416) |
| Net book value | | | | | | | |
| 31 December 2024 | 181,060 | 168,276 | 214,712 | 3,309 | 68,844 | 105 | 636,306 |
| Depreciation for the year 2024 | | | | | | | |
| Cost of goods sold | | | | | | | 45,483 |
| Administrative expenses | | | | | | | 10,945 |
| Total | | | | | | | 56,428 |

(Unit : Thousand Baht)

| | Consolidated F/S | | | | | | Total |
|---------------------------------------|----------------------|----------------------------|-----------------------------|--------------------------------|----------|-----------------------------------|-----------|
| | Land and improvement | Buildings and construction | Machinery and factory tools | Furniture and office equipment | Vehicles | Assets in transit And in progress | |
| Cost | | | | | | | |
| 1 January 2023 | 194,411 | 352,294 | 589,151 | 27,480 | 158,305 | 23,292 | 1,344,933 |
| Acquisitions | 8,500 | 100 | 1,166 | 526 | 6,355 | 26,099 | 42,746 |
| Disposals | - | - | (466) | (646) | (872) | - | (1,984) |
| Transfer in / (out) | - | 11,971 | 30,315 | 1,789 | - | (44,075) | - |
| 31 December 2023 | 202,911 | 364,365 | 620,166 | 29,149 | 163,788 | 5,316 | 1,385,695 |
| Accumulated depreciation | | | | | | | |
| 1 January 2023 | (18,241) | (177,541) | (406,441) | (23,537) | (80,121) | - | (705,881) |
| Depreciation for the year | (1,819) | (15,086) | (24,602) | (1,848) | (8,901) | - | (52,256) |
| Depreciation for disposals | - | - | 274 | 630 | 870 | - | 1,774 |
| 31 December 2023 | (20,060) | (192,627) | (430,769) | (24,755) | (88,152) | - | (756,363) |
| Net book value | | | | | | | |
| 31 December 2023 | 182,851 | 171,738 | 189,397 | 4,394 | 75,636 | 5,316 | 629,332 |
| Depreciation for the year 2023 | | | | | | | |
| Cost of goods sold | | | | | | | 40,506 |
| Administrative expenses | | | | | | | 11,750 |
| Total | | | | | | | 52,256 |

(Unit : Thousand Baht)

| | Separate F/S | | | | | | Total |
|---------------------------------------|----------------------|----------------------------|-----------------------------|--------------------------------|----------|-----------------------------------|-----------|
| | Land and improvement | Buildings and construction | Machinery and factory tools | Furniture and office equipment | Vehicles | Assets in transit And in progress | |
| Cost | | | | | | | |
| 1 January 2024 | 125,374 | 156,839 | 264,366 | 17,339 | 9,610 | 235 | 573,763 |
| Acquisitions | - | - | 1,643 | 356 | - | 107 | 2,106 |
| Disposals | - | - | (1,770) | (475) | - | - | (2,245) |
| Transfer in / (out) | - | - | 243 | 99 | - | (342) | - |
| 31 December 2024 | 125,374 | 156,839 | 264,482 | 17,319 | 9,610 | - | 573,624 |
| Accumulated depreciation | | | | | | | |
| 1 January 2024 | (6,434) | (75,669) | (194,946) | (13,903) | (7,843) | - | (298,795) |
| Depreciation for the year | (505) | (6,357) | (8,857) | (1,372) | (429) | - | (17,520) |
| Depreciation for disposals | - | - | 1,290 | 475 | - | - | 1,765 |
| 31 December 2024 | (6,939) | (82,026) | (202,513) | (14,800) | (8,272) | - | (314,550) |
| Net book value | | | | | | | |
| 31 December 2024 | 118,435 | 74,813 | 61,969 | 2,519 | 1,338 | - | 259,074 |
| Depreciation for the year 2024 | | | | | | | |
| Cost of goods sold | | | | | | | 11,909 |
| Administrative expenses | | | | | | | 5,611 |
| Total | | | | | | | 17,520 |

(Unit : Thousand Baht)

| | Separate F/S | | | | | | Total |
|---------------------------------------|----------------------|----------------------------|-----------------------------|--------------------------------|----------|-----------------------------------|-----------|
| | Land and improvement | Buildings and construction | Machinery and factory tools | Furniture and office equipment | Vehicles | Assets in transit And in progress | |
| Cost | | | | | | | |
| 1 January 2023 | 116,874 | 144,827 | 264,004 | 15,883 | 10,466 | 7,676 | 559,730 |
| Acquisitions | 8,500 | 100 | 243 | 368 | - | 6,545 | 15,756 |
| Disposals | - | - | (278) | (589) | (856) | - | (1,723) |
| Transfer in / (out) | - | 11,912 | 397 | 1,677 | - | (13,986) | - |
| 31 December 2023 | 125,374 | 156,839 | 264,366 | 17,339 | 9,610 | 235 | 573,763 |
| Accumulated depreciation | | | | | | | |
| 1 January 2023 | (5,919) | (69,329) | (185,370) | (13,021) | (8,269) | - | (281,908) |
| Depreciation for the year | (515) | (6,340) | (9,663) | (1,453) | (429) | - | (18,400) |
| Depreciation for disposals | - | - | 87 | 571 | 855 | - | 1,513 |
| 31 December 2023 | (6,434) | (75,669) | (194,946) | (13,903) | (7,843) | - | (298,795) |
| Net book value | | | | | | | |
| 31 December 2023 | 118,940 | 81,170 | 69,420 | 3,436 | 1,767 | 235 | 274,968 |
| Depreciation for the year 2023 | | | | | | | |
| Cost of goods sold | | | | | | | 12,550 |
| Administrative expenses | | | | | | | 5,850 |
| Total | | | | | | | 18,400 |

As at 31 December 2024, the prepaid land rental expenses of a subsidiary in Lao People's Democratic Republic amounted to Baht 2.79 million represents the right to use land under two lease agreements from another person for 15 - 30 years. The subsidiary amortizes the prepaid land rental expense based on the straight-line method in accordance with the lease agreement.

13.2 Lease liabilities - net

| | (Unit : Thousand Baht) | |
|----------------------------------|--------------------------|----------------------|
| | Consolidated F/S 2024 | Separate F/S 2024 |
| Lease liabilities | | |
| Not over 1 year | 2,448 | 9,538 |
| Over 1 year but not over 5 years | 4,992 | 32,960 |
| Over 5 years | 2,670 | 39,428 |
| Total | 10,110 | 81,926 |
| <u>Less</u> Deferred interest | (968) | (16,328) |
| Net before current portion | 9,142 | 65,598 |
| <u>Less</u> Current portion | (2,190) | (6,877) |
| Net | 6,952 | 58,721 |

The Company entered into lease agreements with subsidiary and related parties to lease warehouse for 3 - 15 years and the Group entered into land rental agreement for 30 years.

Lease payment not recognised as a liability

The Group has elected not to recognized a lease liability for short-term leases (leases with an expected term of 12 month or less) or for leases of low value assets. Payments made under such leases are expended on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognized as lease liabilities and are expended as incurred.

The expenses related to the lease not included in the measurement of the lease liability is as follows:

| | (Unit: Thousand Baht) | |
|----------------------------|-----------------------|--------------|
| | Consolidated F/S | Separate F/S |
| Leases of low value assets | 1,399 | 226 |

14. INVESTMENT PROPERTY – NET

| | (Unit : Thousand Baht) | |
|---------------------------------|------------------------|---------|
| | Consolidated F/S | |
| Cost | | |
| 1 January 2023 | | 5,060 |
| 31 December 2023 | | 5,060 |
| 31 December 2024 | | 5,060 |
| Accumulated depreciation | | |
| 1 January 2023 | | (4,126) |
| Depreciation for the year | | (338) |
| 31 December 2023 | | (4,464) |
| Depreciation for the year | | (338) |
| 31 December 2024 | | (4,801) |
| Net book value | | |
| 31 December 2023 | | 596 |
| 31 December 2024 | | 259 |

15. INTANGIBLE ASSETS – NET

The movements in computer software for the years ended 31 December 2024 and 2023 are as follow:

| | (Unit :Thousand Baht) | |
|---------------------------------|-----------------------|--------------|
| | Consolidated F/S | Separate F/S |
| Cost | | |
| 1 January 2023 | 8,561 | 7,431 |
| Write – off during the period | (82) | (82) |
| 31 December 2023 | 8,479 | 7,349 |
| Write – off during the period | (140) | (140) |
| 31 December 2024 | 8,339 | 7,209 |
| Accumulated amortization | | |
| 1 January 2023 | (7,756) | (6,747) |
| Amortization for the year | (362) | (313) |
| Amortization for write – off | 82 | 82 |
| 31 December 2023 | (8,036) | (6,978) |
| Amortization for the year | (263) | (220) |
| Amortization for write – off | 140 | 140 |
| 31 December 2024 | (8,159) | (7,058) |
| Net book value | | |
| 31 December 2023 | 443 | 371 |
| 31 December 2024 | 180 | 151 |

16. TRADE AND OTHER ACCOUNTS PAYABLE

| | (Unit : Thousand Baht) | | | |
|--|------------------------|--------|--------------|--------|
| | Consolidated F/S | | Separate F/S | |
| | 2024 | 2023 | 2024 | 2023 |
| Trade accounts payable – general suppliers | 46,055 | 59,741 | 46,054 | 59,741 |
| Trade accounts payable – related companies | 7,703 | 13,214 | 22,147 | 23,338 |
| Other accounts payable – general suppliers | 6,241 | 5,565 | 1,538 | 1,722 |
| Other accounts payable – related companies | 1 | 1 | 49 | 40 |
| Total | 60,000 | 78,521 | 69,788 | 84,841 |

17. ACCRUED EXPENSES

| | (Unit : Thousand Baht) | | | |
|--|------------------------|--------|--------------|--------|
| | Consolidated F/S | | Separate F/S | |
| | 2024 | 2023 | 2024 | 2023 |
| Accrued bonuses | 16,101 | 15,861 | 12,049 | 11,706 |
| Accrued transportation | 12,830 | 11,123 | 12,830 | 11,123 |
| Accrued salary and other employee benefits | 3,326 | 2,493 | 2,735 | 2,079 |
| Accrued utilities | 3,277 | 2,854 | 1,423 | 1,440 |
| Accrued other expenses | 5,065 | 4,142 | 1,892 | 2,563 |
| Total | 40,599 | 36,473 | 30,929 | 28,911 |

18. PROVISIONS FOR EMPLOYEE BENEFITS

18.1 Defined benefit plans

During the years ended 31 December 2024 and 2023, movements in employee benefits obligation are as follow:

| | Consolidated F/S | | Separate F/S | |
|--|------------------|---------------|---------------|---------------|
| | 2024 | 2023 | 2024 | 2023 |
| Beginning Balance | 20,787 | 19,094 | 16,386 | 16,993 |
| Provision expense recorded in the statement of profit or loss | | | | |
| - Current service costs | 1,309 | 2,558 | 921 | 1,346 |
| - Financial costs | 617 | 658 | 463 | 499 |
| Actuarial gains on remeasurement of employment benefits are recorded in other comprehensive income | - | (797) | - | (2,452) |
| Employee benefits paid | (1,348) | (726) | (1,348) | - |
| Total | 21,365 | 20,787 | 16,422 | 16,386 |
| <u>Less</u> portion due within one year | (617) | (2,544) | (227) | (2,544) |
| Ending Balance | 20,748 | 18,243 | 16,195 | 13,842 |

Principal actuarial assumptions are as follows:

| | Consolidated F/S | Separate F/S |
|--------------------------------------|-----------------------------|---------------------------|
| Discount rate for salary | 2.02-2.47 percent per annum | 2.47 percent per annum |
| Discount rate for wage | 2.02-2.47 percent per annum | 2.47 percent per annum |
| Mortality rate | Thai Mortality Table 2017 | Thai Mortality Table 2017 |
| Future salary expense increment rate | 5.84-6.04 percent per annum | 5.84 percent per annum |
| Future wage expense increment rate | 2.71-4.87 percent per annum | 2.71 percent per annum |
| Normal retirement age | 60 years | 60 years |
| Number of employees | 411 persons | 274 persons |

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

| | The defined benefit obligation | |
|---------------------------------------|--------------------------------|--------------|
| | Consolidated F/S | Separate F/S |
| Discount rate (0.5% increment) | (814) | (602) |
| Discount rate (0.5% decrement) | 870 | 641 |
| Future salary growth (0.5% increment) | 1,032 | 758 |
| Future salary growth (0.5% decrement) | (971) | (715) |
| Employee turnover (1.0% increment) | (1,433) | (884) |
| Employee turnover (1.0% decrement) | 1,459 | 984 |

18.2 Defined provident fund plan

The Group and their employees have jointly established a provident fund plan in accordance with the Provident Fund Act B.E. 2530. The Group and their employees contributed to the fund monthly at the rate of 3.00% of basic salaries. The fund is managed by Kasikorn Asset Management Co., Ltd. and SCB Asset Management Co., Ltd. and will be paid to the employees upon termination in accordance with the fund rules.

For the years ended 31 December 2024 and 2023, the Group contribution amounted to Baht 1.79 million and Baht 1.67 million, respectively, in the consolidated financial statements and Baht 1.31 million and Baht 1.23 million, respectively, in the separate financial statements.

19. INCOME TAX

Reconciliation of income tax expenses are as follows:

| | Consolidated F/S | | Separate F/S | |
|--|------------------|--------------|--------------|--------------|
| | 2024 | 2023 | 2024 | 2023 |
| Profit before tax | 29,767 | 166,089 | 15,943 | 170,767 |
| Applicable tax rate (Percentage) | 20 | 20 | 20 | 20 |
| Tax multiplied by applicable tax rate | 5,953 | 33,218 | 3,189 | 34,153 |
| Adjustment for: | | | | |
| Tax on non-deductible expenses | 7,505 | 3,059 | 3,144 | 2,636 |
| Tax on exempted income and additional expendable expense | (3,524) | (3,791) | (3,518) | (3,404) |
| Expense granted under investment promotion | (3,384) | (5,581) | - | (5,581) |
| Utilization of previously unrecognized tax losses | - | (20,627) | - | (20,627) |
| Income tax | 6,550 | 6,278 | 2,815 | 7,177 |
| Income tax consisted of: | | | | |
| Current income tax | 5,006 | 10,164 | 4,577 | 10,164 |
| Deferred tax from temporary differences | 1,544 | (3,886) | (1,762) | (2,987) |
| Total income tax | 6,550 | 6,278 | 2,815 | 7,177 |

20. DEFERRED TAX

Deferred income tax asset and liability

The movements in deferred income tax assets/liabilities are as follows:

(Unit : Thousand Baht)

| | Consolidated F/S | | | |
|--|--------------------------------|----------------|----------------------------------|------------------------|
| | Recognised as income (expense) | | | |
| | 1 January 2024 | Profit or loss | Other comprehensive income | 31 December 2024 |
| Deferred tax assets from: | | | | |
| Provision for allowance doubtful of accounts receivable | 5,643 | (2,539) | - | 3,104 |
| Provision for employee benefits obligation | 4,158 | 116 | - | 4,274 |
| Taxable loss carried forward | 1,102 | 209 | - | 1,311 |
| Deferred tax liabilities from: | | | | |
| Surplus from fair value of land, buildings and equipment | (19,475) | 670 | - | (18,805) |
| Deferred tax liabilities, net | (8,572) | (1,544) | - | (10,116) |

(Unit : Thousand Baht)

| | Consolidated F/S | | | |
|--|--------------------------------|----------------|----------------------------------|------------------------|
| | Recognised as income (expense) | | | |
| | 1 January 2023 | Profit or loss | Other comprehensive income | 31 December 2023 |
| Deferred tax assets from: | | | | |
| Provision for allowance doubtful of accounts receivable | 3,025 | 2,618 | - | 5,643 |
| Provision for employee benefits obligation | 3,818 | 499 | (159) | 4,158 |
| Taxable loss carried forward | 1,012 | 90 | - | 1,102 |
| Deferred tax liabilities from: | | | | |
| Surplus from fair value of land, buildings and equipment | (20,154) | 679 | - | (19,475) |
| Deferred tax liabilities, net | (12,299) | 3,886 | (159) | (8,572) |

(Unit : Thousand Baht)

| | Separate F/S | | | 31 December 2024 |
|---|---------------------------------------|----------------|----------------------------------|------------------------|
| | <u>Recognised as income (expense)</u> | | | |
| | 1 January 2024 | Profit or loss | Other comprehensive income | |
| Deferred tax assets from: | | | | |
| Provision for allowance doubtful of accounts receivable | 5,643 | 1,755 | - | 7,398 |
| Provision for employee benefits obligation | 3,277 | 7 | - | 3,284 |
| Deferred tax liabilities from: | | | | |
| Surplus from fair value land | (11,095) | - | - | (11,095) |
| Deferred tax liabilities, net | <u>(2,175)</u> | <u>1,762</u> | <u>-</u> | <u>413</u> |

(Unit : Thousand Baht)

| | Separate F/S | | | 31 December 2023 |
|---|---------------------------------------|----------------|----------------------------------|------------------------|
| | <u>Recognised as income (expense)</u> | | | |
| | 1 January 2023 | Profit or loss | Other comprehensive income | |
| Deferred tax assets from: | | | | |
| Provision for allowance doubtful of accounts receivable | 3,025 | 2,618 | - | 5,643 |
| Provision for employee benefits obligation | 3,398 | 369 | (490) | 3,277 |
| Deferred tax liabilities from: | | | | |
| Surplus from fair value land | (11,095) | - | - | (11,095) |
| Deferred tax liabilities, net | <u>(4,672)</u> | <u>2,987</u> | <u>(490)</u> | <u>(2,175)</u> |

21. EQUITY

21.1 Legal reserve

Under the Public Limited Company Act B.E. 2535, the Company is required to set aside as a statutory reserve at least 5% of its net income for the year after deducting accumulated deficit brought forward (if any) until the reserve reaches 10% of the registered capital. The legal reserve is not available for dividend distribution.

21.2 Dividend payment

At the Annual General Meeting for the year 2023 on 19 April 2023, the shareholders passed the resolution to propose to for approval to pay dividend from operating results of the year 2022, the Company's financial statements has retained earnings – unappropriated amount of Baht 1,150.31 million, which was considered to pay dividends at the rate of Baht 0.20 per share for 550 million common shares amounting to Baht 110 million. By the list of shareholders to receive the dividend appear on the shareholder register on 9 March 2023. The dividend was paid on 18 May 2023.

At the Board of Director Meeting No. 3/2023 on 8 August 2023, the directors passed a resolution to approve the payment of interim dividends from non-promoted income for the six-month period end 30 June 2023 of Baht 0.10 per share for 550 million common shares totaling Baht 55 million. The dividend was paid on 7 September 2023.

At the Annual General Meeting for the year 2024 held on 23 April 2024, shareholders passed a resolution to pay dividend from income from operations for the year 2023 from non-promoted business by cash dividend of Baht 0.12 per share for 550 million common shares totalling Baht 66 million. By the list of shareholders to receive the dividend appear on the shareholder register on 8 March 2024. The dividend was paid on 21 May 2024.

At the Board of Director Meeting No. 4/2024 on 14 August 2024, the directors passed a resolution to approve the payment of interim dividends from non-promoted income for the six-month period end 30 June 2024 of Baht 0.07 per share for 550 million common shares totaling Baht 38.50 million. The dividend was paid on 12 September 2024.

22. EXPENSES BY NATURE

Significant expenses by nature are as follows:

| | (Unit : Thousand Baht) | | | |
|---|---------------------------------|-----------|--------------|-----------|
| | Consolidated F/S | | Separate F/S | |
| | For the years ended 31 December | | | |
| | 2024 | 2023 | 2024 | 2023 |
| Salaries, wages and other employee benefits | 162,046 | 145,684 | 98,526 | 87,926 |
| Executives' remuneration | 34,041 | 33,663 | 24,125 | 24,304 |
| Depreciation and amortization | 59,111 | 55,390 | 24,972 | 25,488 |
| Transportation expenses | 157,363 | 103,214 | 176,260 | 124,455 |
| Manufacturing service costs | 12 | 317 | 149,361 | 114,174 |
| Reversal of allowance excess of cost of goods over net realizable value | 8,511 | (9,366) | 6,138 | (9,375) |
| Loss from exchange rate | - | 12,095 | - | 1,099 |
| Raw material and supplies used | 4,358,168 | 3,572,185 | 4,083,872 | 3,423,294 |
| Purchase of finished goods | 2,614,957 | 2,675,827 | 2,724,749 | 2,682,599 |
| Change in finished goods and work in process | (242) | (13,197) | 18,736 | (12,120) |
| Loss on impairment from goodwill | - | 15,086 | - | - |

23. SEGMENT REPORTING

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The Company and subsidiaries' business operations are categorized mainly into 2 principal segments: (1) trading of steel products including raw material and (2) production and distribution of steel products. Below are revenues of the Company and subsidiaries for the years ended 31 December 2024 and 2023.

(Unit : Million Baht)

| | Consolidated F/S | | | | | | | |
|---|--|-----------------|---|-----------------|-----------------|-----------------|-----------------|-----------------|
| | For the years ended 31 December | | | | | | | |
| | Trading of products (include raw materials) | | Production and distribution of steel products | | Eliminated | | Total | |
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Revenues from external customers | 2,851.48 | 2,708.50 | 4,595.57 | 4,066.84 | - | - | 7,447.05 | 6,775.34 |
| Revenues from inter-segments | 1.31 | 13.94 | 259.84 | 124.54 | (261.15) | (138.48) | - | - |
| Total revenue | 2,852.79 | 2,722.44 | 4,855.41 | 4,191.38 | (261.15) | (138.48) | 7,447.05 | 6,775.34 |
| Interest income | 3.53 | 3.23 | 5.93 | 4.97 | (4.94) | (4.58) | 4.52 | 3.62 |
| Interest expense | (3.18) | (3.27) | (5.42) | (5.03) | 7.84 | 8.04 | (0.76) | (0.26) |
| Depreciation and amortization expenses | - | - | (64.89) | 59.53 | 5.45 | (5.21) | (59.44) | 54.32 |
| Segment profits | 29.30 | 86.47 | (15.10) | 73.58 | 8.37 | (0.24) | 22.57 | 159.81 |
| Segment assets | 771.59 | 858.54 | 1,313.22 | 1,321.76 | - | - | 2,084.81 | 2,180.29 |
| Increased (decreased) of segment non-current assets | 3.01 | (8.79) | 5.12 | (13.53) | - | - | 8.13 | (22.32) |
| Segment liabilities | 57.11 | 66.22 | 97.20 | 101.96 | - | - | 154.31 | 168.18 |
| At point in time | 2,852.79 | 2,722.44 | 4,855.41 | 4,191.38 | (261.15) | (138.48) | 7,447.05 | 6,775.34 |
| Over time | - | - | - | - | - | - | - | - |
| Total | 2,852.79 | 2,722.44 | 4,855.41 | 4,191.38 | (261.15) | (138.48) | 7,447.05 | 6,775.34 |

The Group disclosed the revenue disaggregated by primary geographical as follows:

(Unit : Million Baht)

| | Consolidated F/S | | | | | | | |
|----------------------------------|------------------------------------|-----------------|---|-----------------|-----------------|-----------------|-----------------|-----------------|
| | Trading (include raw materials) | | Production and distribution of steel products | | Eliminated | | Total | |
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| | Local | 2,852.45 | 2,718.56 | 4,611.83 | 4,034.88 | (151.20) | (115.94) | 7,313.08 |
| Lao People's Democratic Republic | 0.34 | 3.88 | 243.58 | 156.50 | (109.95) | (22.54) | 133.97 | 137.84 |
| Total | 2,852.79 | 2,722.44 | 4,855.41 | 4,191.38 | (261.15) | (138.48) | 7,447.05 | 6,775.34 |

Major Customer

The Group does not have sales to any customer more than 10% of total revenues in the consolidated and separate financial statements.

24. INVESTMENT PROMOTION PRIVILEGES

The Company and subsidiary have privileges under investment certificates covered by the Promotion of Investment Act B.E. 2520 (A.D. 1977), as follows:

| Certificate No. | Date | Promoted activity types | Commence date of revenues generated | Expiry date |
|-----------------------|-------------------|---------------------------------------|-------------------------------------|------------------|
| <u>The Company</u> | | | | |
| 62-0968-1-04-1-0 | 12 September 2022 | Cold formed structural steel sections | 1 April 2023 | 31 March 2026 |
| <u>The subsidiary</u> | | | | |
| 2488(2)/2557 | 25 August 2014 | Cold formed structural steel sections | 29 February 2016 | 29 February 2024 |
| 66-0666-1-04-1-0 | 12 September 2022 | Cold formed structural steel sections | 30 June 2023 | 29 June 2026 |

The Company and subsidiary have privileges as follows:

- Exemption from import duty on approved imported machinery.
- Exemption from corporate income tax on profits from the promoted activity not exceeding 50% and 100% of assets, excluding land and capital, for a period of three years and eight years, respectively commencing the date that income was first derived.
- Exemption from income tax on dividends paid to the shareholders from the profit of the promoted operations during the period in which the corporate income tax is exempted.
- Permission to bring foreigners who are skilled workers or experts, their spouses, and dependents of these two types of persons into the Kingdom in the number and specified period of stay in the Kingdom.
- Permission granted to foreigners who are skilled workers or experts who are permitted to stay in the Kingdom Be allowed to work only in positions approved by the committee for the entire period of time permitted.

As a promoted company, the Company and subsidiary must comply with certain conditions and restrictions provided for in the promotional certificates.

Based on the Announcement of the Board of Investment No. Por 14/1998 dated 30 December 1998 regarding revenue reporting of a promoted industry, the subsidiary is required to report the revenues separately for promoted and the non-promoted businesses. The revenue for the years ended 31 December 2024 and 2023 are follows:

| | Thousand Baht | | | |
|--------------------|-------------------|-----------------------|------------|-----------|
| | Consolidated F/S | | | |
| | Promoted business | Non-promoted business | Eliminated | Total |
| 2024 | | | | |
| Revenue from sales | 88,559 | 7,619,643 | (261,155) | 7,447,047 |
| 2023 | | | | |
| Revenue from sales | 957,556 | 5,933,677 | (115,888) | 6,775,345 |

| | Thousand Baht | | |
|--------------------|-------------------|-----------------------|-----------|
| | Separate F/S | | |
| | Promoted business | Non-promoted business | Total |
| 2024 | | | |
| Revenue from sales | - | 7,314,934 | 7,314,934 |
| 2023 | | | |
| Revenue from sales | 904,375 | 5,735,208 | 6,639,583 |

25. COMMITMENTS AND CONTINGENT LIABILITIES

As at 31 December 2024, the Company has commitments and contingent liabilities as follows:

25.1 The Company has purchase orders for raw materials and finished goods which products have not yet been received for Baht 623.93 million and Baht 171.33 million, respectively, in the consolidated and separate financial statements.

25.2 As at 31 December 2024 and 2023, the credit facilities of the Company and subsidiary are as follows:
(Unit : Million Baht)

| | Currency | Consolidated F/S | | | | | |
|--|----------|------------------|----------|----------|------------------|----------|----------|
| | | 31 December 2024 | | | 31 December 2023 | | |
| | | Total | Utilised | Remained | Total | Utilised | Remained |
| Letters of guarantee | Baht | 1.56 | 1.56 | - | 1.56 | 1.56 | - |
| Bank overdraft | Baht | 15.00 | - | 15.00 | 15.00 | - | 15.00 |
| Promissory notes and trust receipt agreement | Baht | 990.00 | 344.39 | 645.61 | 690.00 | 321.01 | 368.99 |

(Unit : Million Baht)

| | Currency | Separate F/S | | | | | |
|--|----------|------------------|----------|----------|------------------|----------|----------|
| | | 31 December 2024 | | | 31 December 2023 | | |
| | | Total | Utilised | Remained | Total | Utilised | Remained |
| Bank overdraft | Baht | 10.00 | - | 10.00 | 10.00 | - | 10.00 |
| Promissory notes and trust receipt agreement | Baht | 990.00 | 344.39 | 645.61 | 690.00 | 321.01 | 368.99 |

26. FINANCIAL INSTRUMENTS

Financial assets and financial liabilities carried on the statement of financial position include cash and cash equivalents, restricted deposits with banks, trade and other accounts receivable and payable and loans. The accounting policies on recognition and measurement of these items are disclosed in the respective accounting policies in Note 4.20

Financial risk

The Company has exposures to a variety of financial risk: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. The Company uses derivative financial instruments to hedge certain exposures.

Financial risk management is carried out by the Company's management. The Company's policy includes areas such as foreign exchange risk, interest rate risk, credit risk and liquidity risk. The framework parameters are approved by the Board of Directors and uses as the key communication and control tools for financial risks.

26.1 Market risk

Cash flow and fair value interest rate risk

The Company's income and operating cash flows are substantially independent of changes in market interest rates. The Company has exposures to interest rate risk relates primarily to its deposits at financial institutions, short-term borrowings, long-term borrowings and debentures. Most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rates. These exposures are managed by using natural hedges arose from offsetting interest rate sensitive assets and liabilities. Usually, the loan tenors were longer than aging of the Company's accounts receivables.

The Company does not apply hedge accounting.

The significant financial assets and liabilities are classified below, according to interest rate type:

(Unit : Thousand Baht)

| | Consolidated F/S | | | | | | |
|---|---------------------|--------------|--------------|----------------|----------------|----------------|---------------|
| | 2024 | | | | | | |
| | Fixed interest rate | | | Floating | Non | Interest | |
| | Within | More than | More than | Interest | Interest | Total | Interest |
| | 1 year | 1 – 5 years | 5 years | rate | rate | | Rate |
| | | | | | | | (% per annum) |
| Financial assets | | | | | | | |
| Cash at banks | 2,472 | - | - | 206,616 | 31,106 | 240,194 | 0.15 – 0.55 |
| Trade and other accounts receivable - net | - | - | - | - | 378,830 | 378,830 | - |
| Total | 2,472 | - | - | 206,616 | 409,936 | 619,024 | |
| Financial liabilities | | | | | | | |
| Trade and other accounts payable | - | - | - | - | 60,000 | 60,000 | - |
| Lease liabilities | 2,448 | 4,992 | 2,670 | - | - | 10,110 | 2.76 – 4.80 |
| Total | 2,448 | 4,992 | 2,670 | - | 60,000 | 70,110 | |

(Unit : Thousand Baht)

| Consolidated F/S | | | | | | | |
|---|---------------------|--------------------------|----------------------|------------------------------|-------------------------|----------------|-----------------------------------|
| 2023 | | | | | | | |
| | Fixed interest rate | | | Floating Interest rate | Non Interest rate | Total | Interest Rate (% per annum) |
| | Within 1 year | More than 1 – 5 years | More than 5 years | | | | |
| Financial assets | | | | | | | |
| Cash at banks | 152,635 | - | - | 154,514 | 34,695 | 341,844 | 0.15 – 1.50 |
| Trade and other accounts receivable - net | - | - | - | - | 338,791 | 338,791 | - |
| Total | 152,635 | - | - | 154,514 | 373,486 | 680,635 | |
| Financial liabilities | | | | | | | |
| Trade and other accounts payable | - | - | - | - | 78,521 | 78,521 | - |
| Lease liabilities | 1,581 | 3,150 | 2,800 | - | - | 7,531 | 4.51 - 4.84 |
| Total | 1,581 | 3,150 | 2,800 | - | 78,521 | 86,052 | |

(Unit : Thousand Baht)

| Separate F/S | | | | | | | |
|---|---------------------|--------------------------|----------------------|------------------------------|-------------------------|----------------|-----------------------------------|
| 2024 | | | | | | | |
| | Fixed interest rate | | | Floating Interest rate | Non Interest rate | Total | Interest Rate (% per annum) |
| | Within 1 year | More than 1 – 5 years | More than 5 years | | | | |
| Financial assets | | | | | | | |
| Cash at banks | 2,472 | - | - | 203,409 | 26,104 | 231,985 | 0.15 - 0.55 |
| Trade accounts receivable and other - net | - | - | - | - | 376,988 | 376,988 | - |
| Loan to subsidiary companies | 62,933 | 9,400 | - | - | - | 72,333 | - |
| Total | 65,405 | 9,400 | - | 203,409 | 403,092 | 681,306 | |
| Financial liabilities | | | | | | | |
| Trade and other accounts payable | - | - | - | - | 69,788 | 69,788 | - |
| Lease liabilities | 6,877 | 24,923 | 33,725 | - | - | 65,525 | 2.76 – 4.80 |
| Total | 6,877 | 24,923 | 33,725 | - | 69,788 | 135,313 | |

(Unit : Thousand Baht)

| Separate F/S | | | | | | | |
|---|---------------------|--------------------------|----------------------|------------------------------|-------------------------|----------------|-----------------------------------|
| 2023 | | | | | | | |
| | Fixed interest rate | | | Floating Interest rate | Non Interest rate | Total | Interest Rate (% per annum) |
| | Within 1 year | More than 1 – 5 years | More than 5 years | | | | |
| Financial assets | | | | | | | |
| Cash at banks | 152,635 | - | - | 145,349 | 22,715 | 320,699 | 0.15 – 1.50 |
| Trade accounts receivable and other - net | - | - | - | - | 350,416 | 350,416 | - |
| Loan to subsidiary companies | 69,421 | 9,400 | - | - | - | 78,821 | 2.80 - 4.00 |
| Total | 222,056 | 9,400 | - | 145,349 | 373,131 | 749,936 | |
| Financial liabilities | | | | | | | |
| Trade and other accounts payable | - | - | - | - | 84,841 | 84,841 | - |
| Lease liabilities | 5,828 | 22,345 | 48,643 | - | - | 76,816 | 4.51 - 4.84 |
| Total | 5,828 | 22,345 | 48,643 | - | 84,841 | 161,657 | |

Foreign exchange risk

The Company purchases part of goods and machineries from overseas and has exposure to foreign exchange risk arising primarily from US Dollar. The Company uses forward contracts to hedge their exposure to protect foreign currency risk. However, the proportion of purchases in foreign currencies were not material compared to total purchase balance.

As at 31 December 2024, the Company and subsidiaries have assets and liabilities in the foreign currencies are as follows:

| | | (Unit : Thousand Baht) | |
|----------------------|-----|------------------------|-----------------------|
| | | Consolidated F/S | |
| | | 2024 | |
| | | Foreign currency | Average exchange rate |
| <u>Cash at banks</u> | | | |
| USD | 172 | 33.7514 | |

| | | (Unit : Thousand Baht) | |
|-------------------------------------|-----|------------------------|-----------------------|
| | | Separate F/S | |
| | | 2024 | |
| | | Foreign currency | Average exchange rate |
| <u>Cash at banks</u> | | | |
| USD | 172 | 33.7514 | |
| <u>Trade and account receivable</u> | | | |
| USD | 640 | 33.7514 | |

26.2 Credit risk

Credit risk arises from cash and cash equivalents, contractual cash flows of debt investments carried at amortised cost, at fair value through other comprehensive income (FVOCI) and at fair value through profit or loss (FVPL), derivative financial instruments as well as credit exposures to customers, including outstanding receivables.

Risk management

Credit risk is managed on a group basis. For banks and financial institutions, only independently rated parties are accepted.

If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on tips assessments in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by line management.

There are no significant concentrations of credit risk, whether through exposure to individual customers or specific industry sectors.

26.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period the Company held deposits at call of Baht 240.30 million (2023: Baht 341.89 million) that are expected to readily generate cash inflows for managing liquidity risk. Due to the dynamic nature of the underlying businesses, the Company Treasury maintains flexibility in funding by maintaining availability under committed credit lines.

27. CAPITAL MANAGEMENT POLICIES AND PROCEDURES

The objectives when managing capital are to:

- safeguard their ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the Group monitors capital based on gearing ratio which is determined by dividing net debt with equity.

28. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The amendment to TAS 7, effective 1 January 2018, require the Group to provide disclosures about the changes in liabilities from financing activities. The Group categorizes those changes into changes arising from cash flows and non-cash changes with future sub-categories as required by TAS 7.

The changes in the Group's liabilities arising from financing activities can be classified as follows;

(Unit : Thousand Baht)

| | Consolidated F/S | | |
|------------------|--|-------------------|---------|
| | Short-term loans from financial institutions | Lease liabilities | Total |
| 1 January 2024 | - | 1,751 | 1,751 |
| Cash-flows: | | | |
| Repayment | - | (1,890) | (1,890) |
| 31 December 2024 | - | (139) | (139) |

(Unit : Thousand Baht)

| | Consolidated F/S | | |
|------------------|--|-------------------|-----------|
| | Short-term loans from financial institutions | Lease liabilities | Total |
| 1 January 2023 | 150,000 | 4,218 | 154,218 |
| Cash-flows: | | | |
| Repayment | (150,000) | (2,377) | (152,377) |
| 31 December 2023 | - | 1,751 | 1,751 |

(Unit : Thousand Baht)

| | Separate F/S | | |
|------------------|--|-------------------|---------|
| | Short-term loans from financial institutions | Lease liabilities | Total |
| 1 January 2024 | - | 71,127 | 71,127 |
| Cash-flows: | | | |
| Repayment | - | (6,383) | (6,383) |
| 31 December 2024 | - | 64,744 | 64,744 |

(Unit : Thousand Baht)

| | Separate F/S | | |
|------------------|--|-------------------|-----------|
| | Short-term loans from financial institutions | Lease liabilities | Total |
| 1 January 2023 | 150,000 | 77,550 | 227,550 |
| Cash-flows: | | | |
| Repayment | (150,000) | (6,423) | (156,423) |
| 31 December 2023 | - | 71,127 | 71,127 |

29. FAIR VALUE MEASUREMENT

Fair value is the price that would be received from sale of asset or paid for liability in orderly transactions between market participants at the measurement date.

Number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The fair values are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability.

If the inputs used to measure the fair value of an asset or liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The carrying value of financial assets and liabilities of the Group are considered to approximate their fair value.

Non-financial assets measured at fair value as at 31 December 2024 is as following;

| | | (Unit : Thousand Baht) | | | |
|-------------------------------|---------------------|------------------------|---------|---------|---------|
| | | Consolidated F/S | | | |
| | | Level 1 | Level 2 | Level 3 | Total |
| Non - financial assets | | | | | |
| | Revaluation of land | - | 165,121 | - | 165,121 |

| | | (Unit : Thousand Baht) | | | |
|-------------------------------|---------------------|------------------------|---------|---------|---------|
| | | Separate F/S | | | |
| | | Level 1 | Level 2 | Level 3 | Total |
| Non - financial assets | | | | | |
| | Revaluation of land | - | 117,357 | - | 117,357 |

The Group re-measured land in 2015 using the Market Approach. The fair value calculated by the market approach was based on the comparable land price, then adjusted with factors which impact both the land and the comparable land. The Weighted Quality Score (WQS) is then used to defend the land fair value.

As at 31 December 2024, the Group has not re-measured land.

30. EVENTS AFTER THE REPORTING PERIOD

At the Board of director's meeting No. 1/2025, held on 20 February 2025, the meeting passed the resolution to propose to the Annual General Meeting of Shareholders 2025 for approval to pay dividend from retain earnings and operating results of the year 2024 from non-promoted income, which was considered to pay dividends at the rate of 0.04 baht per share for 550 million common shares, amounting to Baht 22 million. However, it will be further proposed for the shareholders' approval in the Annual General Meeting of the Shareholders for fiscal year 2025 in April 2025. The dividend will be paid on May 15, 2025.

31. AUTHORISATION OF FINANCIAL STATEMENTS

The consolidated and separate financial statements for the year ended 31 December 2024 were approved by the Board of Directors on 20 February 2025.



Part 3 Financial Statement

2S Metal Public Company Limited and Subsidiaries

For the year Ended 31 December 2024

**Details of Director, management, controller,
corporate secretary and accountant**

Dr. Kanchit Singсуwan
Age 62 yr.

**Chairman/ Audit Committee/
Independent Director**

Education Background

- Doctoral degree in International Business and Administration, Alliant International University, San Diego, CA, USA
- M.B.A. (International Business Management), Alliant International University, San Diego, CA. USA
- Bachelor of Laws, Chulalongkorn University, Thailand

Training courses

- Executive Development Program: EDP #8/2012, Fiscal Policy Research Institute Foundation
- CEO #1/2013, Leadership Succession Program(LSP), Institute of Research and Development for Public Enterprises
- Singapore Institute of Directors
 - LED 1-8, SID Directors Conference 2021,
 - Board Governance of SPACs,
 - Corporate Governance Roundup 2021
 - MCD 2 : Stakeholder Engagement in the Era of Security
 - ACRA-SGX-SID Audit Committee Seminar 2022
- Director Accreditation Program (DAP) #68/2551 from IOD
- TCFD 102 : Building experience in climate-related financial reporting โดย Singapore Exchange
- Financial Advisory, Association of Thai Securities Company (ASCO)
- Corporate Valuation program & Corporate Finance Law & Restructuring program, Asia Connect

Tenure of Directorship

November 15th 2007

Working experience in the past 5 years

Listed Company (2)

- 2020 - present Chairman of Board of Director and Audit committee, Yong Thai Pcl
- 2022 - present Chairman of Audit Committee and Ind. Director, World Corporation Pcl.,

Non-Listed Company (1)

- 2017- present Managing Director, The advisory of Dr. Kanchit and partner (changed fromnBaupost Associates Co.,ltd.)
- 2024- 2024 Advisor to the Chairman of Police Commission
- 2019 –2022 I n d . Director, Nautic AWT Pcl. , SGX (Catalist Exchange)

Shareholding Proportion (10 March 2025)

- Personally -None-
- Spouse / minor child -None-

Family Relationship with the other directors

-None -

Mr.Sombat Leeswadtrakul

Age 65 yr.

Director, Chief Executive Officer

Nomination & Remuneration Committee

Education Background

- MBA, Mahidol University, Thailand

Training courses

- Thailand National Defence College #5222
- The program for Senoir Executive on Justice Administration (Batch 12)
- The 8th: Top Executive Program, Capital Market Academy, Thailand
- Director Accreditation Program (DAP) #68/2008, Thai Institute of Directors

Tenure of Directorship

May 29th 1992

Working experience in the past 5 years

Listed Company -None-

Non-Listed Company (2)

1994- present Chairman and CEO Neastern Steel Co., Ltd.

2015 - present CEO, Authorized Director, Grand Steel Pipe Co.,Ltd

Shareholding Proportion (10 March 2025)

- Personally 136,605,654 shares (24.84%)
- Spouse / minor child -None-

Family Relationship with the other directors

-None -

Mr. Sangrung Nitipawachon

Age 55 yr

Director, Managing Director

Education Background

- MBA , Chulalongkorn University, Thailand
- MBA, Prince of Songkla University, Thailand

Training courses

- Director Accreditation Program (DAP) #68/2008, Thai Institute of Directors

Tenure of Directorship

May 29th 1992

Working experience in the past 5 years

Listed Company -None-

Non-Listed Company (2)

1994- present Director, Managing director, Neastern Steel Co., Ltd.

2015 - present Authorized Director, Grand Steel Pipe Co.,Ltd

Shareholding Proportion (10 March 2025)

- Personally 32,019,995 shares (5.82%)
- Spouse / minor child -None-

Family Relationship with the other directors

-None -

Mr. Surapon Satimanont

**Vice Chairman
Chairman of Audit Committee
Independent Director**

Age 64 yr**Tenure of Directorship**

November 15th 2007

Education Background

- MBA, Webster University, USA
- Master of Laws (LL.M.), Howard University School of Law, USA
- Master of Laws (LL.M.), Southern Methodist University, USA

หลักสูตรการอบรม

- Director Certification Program (DCP) #40/2004, Thai Institute of Directors
- Anti - Corruption for Executive, July 2014 from Thai Institute of Directors
- Thailand Sustainable Banking 2019, Bank of Thailand

Family Relationship with the other directors

-None -

Working experience in the past 5 years

Listed Company (1)
2002 – present Director and Audit Committee,
Ratchthani Leasing Public Co., Ltd.

Non-Listed Companies (1)

2018 - present Chairman, S & Manont Limited

2015 – 2024 Director and Audit Committee, Sumitomo Mitsui Trust (Thailand) Bank PLC

2021 – 2024 Chairman of Audit Committee, N.D.S. 34 Company Limited.

2023 – 2024 Chairman, Audit Committee, Hybrid EnergyCo.,Ltd

2548 - 2565 Director and Audit Committee, Baan Rock Garden Public Co., Ltd

2561 - 2564 Director, Audit Committee, JSSR Group PCL

Shareholding Proportion (10 March 2025)

- Personally -None-
- Spouse / minor child -None-

Gen. Phairat Phoubon

**Chairman of Nomination and Remuneration
Committee /Independent Director**

Age 68 yr**Tenure of Directorship**

15 December 2015

Education Background

- Bachelor of Engineering, Royal Thai Survey Dept.
- Chulachomklao Royal Military Academy (CRMA#27)

Training courses

- National Defense Course (NDC #52)
- Directorate of Education and Training, RTAF #39
- Joint War College #47
- Director Accreditation Program (DAP) 123/2016 from Thai Institute of Directors

Family Relationship with the other directors

-None -

Working experience in the past 5 years

Listed Company (1)
2002 - present Chairman, Rich Sport Public Co., Ltd

Non-Listed Companies (1)

2018- present Director, Automate Asia Co.,Ltd

2020- present Director, SermSang Power Corporation

2017 – present Subcommitt ee on Strategic, Defense

2017 – 2024 Director, Council of The War Veterans

Shareholding Proportion (10 March 2025)

- Personally -None-
- Spouse / minor child -None-

| | |
|---|--|
| Mrs. Chintana Techamontrikul Age 70 yr | Audit Committee Nomination and Remuneration Committee |
| Tenure of Directorship November 15th 2007 | Working experience in the past 5 years Listed Company -None Non-Listed Companies (1) 1992-present Managing Director, C&A Auditing 2018-2021 Director, Audit Committee, JSSR Group PCL |
| Education Background <ul style="list-style-type: none"> MBA (Finance), Kasetsart University, Thailand MBA, University of the Thai Chamber of Commerce, Thailand M.A. (Economic law), Faculty of Law, Chulalongkorn University, Thailand | Shareholding Proportion (10 March 2025) <ul style="list-style-type: none"> Personally -None- Spouse / minor child -None- |
| Training courses <ul style="list-style-type: none"> Director Certification Program (DCP) 4/2000 from Thai Institute of Directors | Family Relationship with the other directors -None - |

| | |
|---|---|
| Mr. Woravit Chailimpamontri Age 55 yr | Nomination and Remuneration Committee / Independent Director |
| Tenure of Directorship 4 April 2018 | Working experience in the past 5 years Listed Company (1) 2021- present Director, Audit Committee, Sena Development Plc Non-Listed Companies (1) 2021- present Director, Audit Committee, Chairman of Risk Committee, Rabbit Insurance Plc. 2017 –present Director and Chairman of Audit Committee, National Power Supply Plc 2018-2022 Audit Committee, Siam Future Development Plc. 2017-2021 Director and Executive director International Research Corporation Plc 2018 – 2024 Vice Chairman and Chairman of Executive Committee, Sabuy Technology PCL |
| Education Background <ul style="list-style-type: none"> Honorary Doctorate degree of Business Administration, Dhonburi Rajabhat University M.B.A. (International Business Management), Schiller International University, London, England B.B.A. (Marketing), Bangkok University | Shareholding Proportion (10 March 2025) <ul style="list-style-type: none"> Personally -None- Spouse / minor child -None- |
| Training courses <ul style="list-style-type: none"> Cert. of Thailand Government Savings Bank Management Leadership Program, Marshall School of Business University of Southern California Top Executive Program, Capital Market Academy (CMA) #8/2009 Top Executive Program in Commerce and Trade, Commerce Academy, Class 3/2010 Advance Insurance #6 Director Certification Program (DCP) #100/2008 Advanced Audit Committee Program (AACP) #30/2018, Thai IOD National Defense Course (NDC #63) | Family Relationship with the other directors -None - |

Miss Bunsri Panyapiamsak
 Age 62 yr.

Director
Chief of Financial Officer
Tenure of Directorship

November 15th 2007

Education Background

- High vocational Certificate, Technological and Vocational College, Southern Technical Campus

Training courses

- Director Accreditation Program (DAP) 75/2008
- Federation of Accounting Professions
 - TFSR Program
 - "Insight of financial reporting standard according to accounting principles compared with the principles of business taxation" Class 2nd
 - Corruption news stories on standard accounting of the Listed Company #1/2021,
 - Irregular items in the Financial Statement and case study 2022.
 - Understanding the point of TFRS for NPAEs,
 - Tax updated 2024,

Working experience in the past 5 years

Listed Company -None

Non-Listed Companies (2)

- 2011 - present Director and Executive committee, Neastern Steel Co., Ltd.
- 2015 - present Authorized Director, Grand Steel Pipe Co., Ltd

Shareholding Proportion (10 March 2025)

- Personally 15,417,277 shares (3.08%)
- Spouse / minor child -None-

Family Relationship with the other directors

-None -

Mr. Preeda Wongsathitporn
 Age 71 yr.

Director
Tenure of Directorship

10 August 2011

Education Background

- Wattana College

Training courses

- Director Accreditation Program (DAP) 92/2011

Family Relationship with the other directors

-None -

Working experience in the past 5 years

Listed Company -None

Non-Listed Companies (4)

- 2006 - present Authorized Director, Tor. Vijjulsin Woods Co., Ltd.
- 2006 - present Authorized Director, Thanapol Laminate
- 2006 - present Authorized Director, Chaivasith (2002) Co.,Ltd.
- 2008 – present Director, Neastern Steel Co., Ltd.

Shareholding Proportion (10 March 2025)

- Personally 24,636,881 shares (4.48%)
- Spouse / minor child -None-

| | |
|------------------------------|-----------------|
| Mr. Tanatat Chavaldit | Director |
| Age 57 yr. | |

Tenure of Directorship 21 May 2008

Education Background

- MBA, Sasin Graduate Institute of Business Administration, Chulalongkorn University

Training courses

- Director Accreditation Program (DAP) 68/2008
- National Defense Course (NDC #63)

Family Relationship with the other directors

-None -

Working experience in the past 5 years

Listed Company -None

Non-Listed Companies (4)

- 2001 – present Director and Vice President, Golden (Thai) Teak Co., Ltd.
- 2002 - present Director, Relax Comfort Co., Ltd.
- 2001 – present Director and Vice President, SB Furniture Houses Co., Ltd.
- 2001 – present Director and Vice President, SB Furniture Industry Co., Ltd

Shareholding Proportion (10 March 2025)

- Personally 14,479,151 shares (2.63%)
- Spouse / minor child -None-

| | |
|----------------------------------|------------------------------|
| Ms.. Tassanee Phunuchapai | Ms. Jaruwan Janpra-Ob |
|----------------------------------|------------------------------|

Vice MD of Sales and Marketing

Age 50 yrs

Date on Position 1 February 2021

Education Background

- MBA, Prince of Songkla University, Thailand
- B.A. (Finance), Prince of Songkla University

Training Courses (-)

Shareholding Proportion (10 March 2025)

- Personally -none-
- Spouse / minor Children -none-

Family Relationship with the other directors

- None –

Working experience in the past 5 years:

Listed Company (-)

Non-Listed Companies (-)

Vice MD of IT

Age 46 yrs

Date on Position 1 February 2021

Education Background

- Master of Science, ICT, Prince of Songkla University,

Training Courses (-)

Shareholding Proportion (10 March 2025)

- Personally 136,750 shares (0.02%)
- Spouse / minor Children -none-

Family Relationship with the other directors

- None –

Working experience in the past 5 years:

Listed Company (-)

Non-Listed Companies (-)

Mr. Pakorn Onkaew**Vice MD of Accounting**

Age 49 yrs

Date on Position 1 February 2021**Education Background**

- B.A. (Accounting), Had Yai Community College

Training Courses

- "Accounting principles compared to business taxation principles #2, FAP
- Tax updated 2024, Federation of Accounting Professions

Working experience in the past 5 years:

Listed Company (-)

Non-Listed Companies (1)

2013- Present Director and Managing director, Mega Trans and Logis Co.,Ltd

Shareholding Proportion (10 March 2025)

- Personally 60,500 shares (0.01%)
- Spouse / minor Children -none-

Family Relationship with the other directors

- None –

Mr. Pongdech Lersithisak**Branch Manager**

Age 57 yrs

Date on Position 1 March 2010**Education Background**

- Master of Business Administration Program in Finance Chulalongkorn University
- B.A. (Faculty of Business) Chulalongkorn University

Training Courses (-)**Working experience in the past 5 years:**

Listed Company (-)

Non-Listed Companies (1)

2008- present Director and Executive, Wattana Mansion
2016 – present Director, Grand Steel Pipe Co.,Ltd**Shareholding Proportion** (10 March 2025)

- Personally -none-
- Spouse / minor Children -none-

Family Relationship with the other directors

- None –

Ms. Kannika Angruvirote**Branch Manager**

Age 59 yrs.

Date on Position 1 March 2010**Education Background**

- B.A. Faculty of Arts, Silpakorn University

Training Courses (-)**Working experience in the past 5 years:**

Listed Company (-)

Non-Listed Companies (-)

Shareholding Proportion (10 March 2025)

- Personally -none-
- Spouse / minor Children -none-

Family Relationship with the other directors

- None –

Mr. Teerasak Onrachorn**Plant Manager**

Age 41 yrs.

Date on Position 1 July 2018**Education Background**

- B.A. (Electrical Engineering), King Mongkut's University of Technology Thonburi.

Training Courses (-)**Working experience in the past 5 years:**

Listed Company (-)

Non-Listed Companies (-)

Shareholding Proportion (10 March 2025)

- Personally -none-
- Spouse / minor Children -none-

Family Relationship with the other directors

- None –

Mrs. Pattranit Janthong Sasutham
Human Resources Manager

Age 51 yrs.

Date on Position 5 August 2021

Education Background

- MBA, Prince of Songkla University, Thailand
- Bachelor of Business Administration Faculty of Management Sciences, Prince of Songkla University

Training Courses

- HR Trends for SME – the Federation of Thai Industries.
- The standard system for preventing and resolution of drug problem in workplaces, Provincial Labour Office – Songkhla
- learning for employers and foreign labor establishments and network organizations, provincial employment offices
- Developing the officer and leader to monitor and prevent infection diseases, CDCU/SRRT, Bangklam District Health office
- How to Agile in the VUCA World, H&G (Thailand)
- Knowledge of social security benefits for employers and employees, SSO. Songklah

Working experience in the past 5 years:

Listed Company (-)

Non-Listed Companies (-)

2018-2021 Assistance of executive director and Human resources, K. Owner Co.,Ltd.

Shareholding Proportion (10 March 2025)

- Personally -none-
- Spouse / minor Children 1,000 shares

Family Relationship with the other directors

- None –

Ms. Natcha Limpakorntanachot
Accountant/ Accounting Manager

Age 52 yrs.

Date on Position 14 September 2021

Education Background

- Bachelor of Business Administration (Accountancy) Ramkhamhaeng University

Training Courses

- Corruption news stories on standard accounting of the Listed Company #1/2021, Federation of Accounting Professions
- Focusing accounting issue and new law #Jul2022, Inwite training Co.,Ltd
- Update Tax Accounting Year 2021, Invite Training Company Limited

Working experience in the past 5 years:

Listed Company (-)

Non-Listed Companies (-)

Shareholding Proportion (10 March 2025)

- Personally 28,500 shares
- Spouse / minor Children -none-

Family Relationship with the other directors

- None –

Miss Pornnica Lertithibaht

Corporate Secretary / Compliance unit

Age 51 yrs.

Date on Position : 1 July 2008

Education Background

- Bachelor of Marketing, Bangkok University

Training Courses (-)
Working experience in the past 5 years:

Listed Company (-)

Non-Listed Companies (-)

Shareholding Proportion (10 March 2025)

- Personally 8,950 shares
- Spouse / minor Children -none-

Family Relationship with the other directors

- None --

| รายชื่อ | บริษัท | บริษัทย่อย | | | บริษัทที่เกี่ยวข้อง | | | | | | | | | | | | | |
|--------------------------------|------------|------------|------|-----|---------------------|----|---------|------|---|---|--------|-----|----|-------|-------|-------|-------|-------|
| | | NES | MEGA | GSP | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8-9 | 10 | 11-12 | 13-14 | 15-17 | 18-20 | |
| ดร.ครรชิต สิงห์สุวรรณ | ///, i, AC | | | | M | AC | ///, AC | | | | | | | | | | | |
| นายสรพล สติมานนท์ | //, i, AC | | | | | | /// | / AC | | | | | | | | | | |
| นางจินตนา เตชะเมตริกกุล | /, i, AC | | | | | | | | | M | | | | | | | | |
| พลเอก ไพรัช โพธิ์อบบล | /, i | | | | | | | | | | ///, i | / | * | | | | | |
| นายสมบัติ ลิ้มสวัสดิ์ตระกูล | /, X | /, X | | / | | | | | | | | | | | | | | |
| นายแสงรุ่ง นิตภาวชน | /, X, O | /, X | | / | | | | | | | | | | | | | | |
| นางสาวบุญศรี ปัญญาเปี่ยมศักดิ์ | /, X, O | /, X | | / | | | | | | | | | | | | | | |
| นายธนทัต ชวาลศิริ | / | | | | | | | | | | | | | X | / | | | |
| นายปรีดา วงศ์สถิตย์พร | / | / | | | | | | | | | | | | | | | /, O | |
| นายวราวิทย์ ชัยลิมปมนตรี | /, i | | | | | | | | | | | | | | | | | AC, i |
| นางพรรณนีย์ ภูหนองภัย | O | | | | | | | | | | | | | | | | | |
| นายปกรณ์ อ่อนแก้ว | O | | / M | | | | | | | | | | | | | | | |
| นางสาวกรรณิกา อังกรวิโรจน์ | O | | | | | | | | | | | | | | | | | |
| นายพงษ์เดช เลอสิทธิศักดิ์ | O | | | / M | | | | | | | | | | | | | | |
| นางสาวจาวรารณ จันทร์ประอบ | O | | | | | | | | | | | | | | | | | |

/// = ประธานกรรมการ
 // = รองประธานกรรมการ
 / = กรรมการ
 X = กรรมการบริหาร
 i = กรรมการอิสระ
 AC = กรรมการตรวจสอบ
 O = ผู้บริหาร
 M = กรรมการผู้จัดการ
 * = ออนุกรรมการ
 ** = ที่ปรึกษา

หมายเหตุ

NES คือ บริษัท นิสเทิร์นสตีล จำกัด
 MEGA คือ บริษัท เมก้า ทรานส์แอนดโลจิส จำกัด
 GSP คือ บริษัท แกรนต์อุตสาหกรรมเหล็กอุปพรณ จำกัด

บริษัทที่เกี่ยวข้อง :

- | | | | |
|--|--|---|---|
| 1. บจก. ที่ปรึกษาต่อเครื่อง ครรชิต แอนด์พาร์ทเนอร์ | 6 สำนักงานสอบบัญชี ซี แอนด์ เอ จำกัด | 11 บริษัท เอส บี เฟอร์นิเจอร์ฮ้าส์ จำกัด | 16 บริษัท ธนพล ลามิเนต จำกัด |
| 2. บมจ. เวิลด์ คอร์ปอเรชั่น | 7 บมจ. ริช สปอร์ต | 12 บริษัท เอส บี อุตสาหกรรมเครื่องเรือน จำกัด | 17 บริษัท ชัยวิสุทธิพาราวิวด (2002) จำกัด |
| 3. บริษัท ยิงไทย จำกัด (มหาชน) | 8. บจก. ออร์โธเมด เอเชีย | 13 บริษัท สักทอง (ไทย) จำกัด | 18 บมจ. เนชั่นแนล เพาเวอร์ ซัพพลาย |
| 4. บริษัท เอส แอนด์มานนท์ จำกัด | 9. บจก. เสริมสร้าง เพาเวอร์ คอร์ปอเรชั่น | 14 บริษัท รีแลกซ์คอมฟอร์ท จำกัด | 19 บมจ. เสนา ดีเวลลอปเม้นท์ |
| 5. บริษัท ราชธานี ลิ้มชิ่ง จำกัด (มหาชน) | 10 สถาบันเทคโนโลยีป้องกันประเทศ | 15 บริษัท ต.วิบูลย์สิน ผลิตก้อนจ๊วไม้ จำกัด | 20 บมจ. แรบบิท ประกันชีวิต |

Directors of a subsidiary company

Directors of N Eastern Steel Co., Ltd.

| Name | Position |
|--------------------------------|----------|
| 1. Mr. Sombat Leeswadtraku | Chairman |
| 2. Mr. Sangrung Nitipawachon | Director |
| 3. Ms. Bunsri Panyapiamsak | Director |
| 4. Mr. Montian AmornLertvimarn | Director |
| 5. Mr. Swad Panapongwasin | Director |
| 6. Mr. Supot Wongstitporn | Director |
| 7. Mr. Preeda Wongstitporn | Director |

Directors of Mega Trans & Logistics Co., Ltd.

| Name | Position |
|---------------------------|----------|
| 1. Mr Pakorn Onkeaw | Director |
| 2. Mrs. Chuthamas Pewnuan | Director |
| 3. Miss Kulwarint Saphu | Director |

Directors of Grand Steel Industries Co., Ltd.

| Name | Position |
|------------------------------|-------------------|
| 1. Mr. Sombat Leeswadtrakul | Managing Director |
| 2. Mr. Sangrung Nitipawachon | Director |
| 3. Miss Bunsri Panyapiamsak | Director |
| 4. Mr. Pongdet Lersithisak | Director / GM |

Attachment 3

Head of Internal Audit

Internal Auditor and Secretary of the Audit Committee (as of 2024)

1. Name Mr. Pannathorn Senachak Age : 28 years
 2. Education Bachelor's Degree in Industrial Technology, Rajamangala University of Technology Srivijaya
 3. Training
 - Organizational Risk Management, Class 1/67, March 2024 by CHULA MOOC (Chulalongkorn University)
 - Corporate Value Enhancement via Risk Management, May 2024 by the Stock Exchange of Thailand
 - Workplace Environmental Regulations, June 2024 by the Department of Industrial Works
 - IT Audit, Class 1/67, August 2024 by the Federation of Accounting Professions under the Royal Patronage
 - Financial Reporting Standards 2024 and Key Accounting Issues for Listed Companies, November 2024 by the Stock Exchange of Thailand
 4. Work Experience:
 - 2021 – Present Continuous Development Officer, 2S Metal Public Company Limited
 - 2019 – 2021 Head of Quality Control Department, Asia Pacific Parawood Co., Ltd.
-

Assets Used in Business Operation

As of December 31, 2024. The company's main assets used in the business operation are as follows

Property and Land Improvement

| Place | Area (Rai-Ngan- wa ²) | Net Book Value (M.Baht) | Type of Obligation | Ownership |
|--|--------------------------------------|----------------------------|-----------------------|-----------------|
| <u>The Company</u> | | | | |
| Tachang, Bangklum, Songklah ¹ | *33 - 1 - 20 | 47.51 | Owner | Mortgage |
| | 5 - 3 - 20 | 4.70 | Owner | -no obligation- |
| | 8 - 8 - 33 | 8.50 | Owner | -no obligation- |
| Nhongkangplu, Nhongkham, Bangkok ¹ | *2 - 3 - 54 | 57.73 | Owner | Mortgage |
| <u>Its Subsidiaries</u> | | | | |
| Nhong-ngulueam, Chaloem-Phrakiea, Nokhonratchasima ² | *18 - 1 - 81 | 13.03 | Owner | Mortgage |
| | 41 - 1 - 1 | 30.92 | Owner | -no obligation- |
| Total | | 162.39 | | |

remark:

* The land appraisal price in year 2015 was approximately 74.15 million Baht

Building and Structures

| Place | Area (m ²) | Net Book Value (M.Baht) | Type of Obligation | Ownership |
|--|---------------------------|----------------------------|-----------------------|------------------|
| <u>The Company</u> | | | | |
| Tachang, Bangklum, Songklah ¹ | | 26.87 | Owner | Mortgage |
| | | 11.57 | Owner | -no obligation - |
| Nhongkangplu, Nhongkham, Bangkok ¹ | 2,492 | 9.83 | Owner | -no obligation - |
| | | 26.55 | Owner | -no obligation - |
| <u>Its Subsidiaries</u> | | | | |
| Nhong-ngulueam, Chaloem-Phrakiea, Nokhonratchasima ² | | 1.90 | Owner | Mortgage |
| | | 2.10 | Owner | Mortgage |
| | | 16.45 | Owner | -no obligation - |
| | | 21.11 | Owner | -no obligation - |
| | | 22.68 | Owner | -no obligation - |
| Solar roof (Korat) | 1,920 | 11.43 | Owner | Mortgage |
| | | 37.02 | Owner | -no obligation - |
| Tachang, Bangklum, Songklah | 8 | 0.04 | rental | -no obligation - |
| | | 0.12 | rental | -no obligation - |
| Nhong-ngulueam, Chaloem-Phrakiea, Nokhonratchasima | 54 | | | |
| Hadsayfong, Vientiane Cap., Lao PDR | 9,060 | 17.63 | Owner | -no obligation - |
| Total | | 205.30 | | |

Remark:

1. The Company's land Improvement and building and structures have been mortgaged in the amount of Bt. 600 million with the financial institutions
2. Its subsidiaries' land Improvement, building and machinery have been mortgaged in the amount of Bt. 240 million with the financial institutions.

Machinery and Equipment

| Type | Net Book Value (M.Baht) | Type of Obligation | Ownership |
|----------------------------|-------------------------|--------------------|------------------|
| The Company | 61.97 | Owner | -no obligation - |
| Its Subsidiaries | | | |
| Neastern Steel Co.,Ltd. | 0.00 | Owner | Mortgage |
| | 106.94 | Owner | -no obligation - |
| Grand Steel Pipe Co., Ltd. | 8.79 | Owner | -no obligation - |
| Total | 177.70 | | |

Furnishings, Office Equipment and Vehicles

| Type | Net Book Value (M.Baht) | Type of Obligation | Ownership |
|---|-------------------------|--------------------|------------------|
| Furnishings and Office Equipment | | | |
| The Company | 2.52 | Owner | -no obligation - |
| Its Subsidiaries | 0.79 | Owner | -no obligation - |
| Total | 3.31 | | |
| Vehicles | | | |
| The Company | 1.34 | Owner | -no obligation - |
| Its Subsidiaries | 67.50 | Owner | -no obligation - |
| Total | 68.84 | | |

Important Contracts Details

1. Lease Land agreement

| | |
|------------------------------------|---|
| Counterparty | The Lessor; Mr. Sumeth Sae-kow (non-relationship with the Company) The lessee, 2S Metal PLC |
| Rental Property | Land and Building for the Company's warehouse. The title deed number are 30042 and 9082, 52083 and 52084 allocation Bangkung subdistrict, Muang Surathani District, Surathani Province. With a total area of 3 rai 84 wa ² |
| Rental rate (excluding VAT) | Baht 600,000 by annual. The due date is January 5th day of each year |
| Period | 10 years; January 2023 – 31 December 2033 |
| Renewal Contract | -no- |
| Obligation | The Lessor have mortgage some assets with the Bank. |

2. Office Space

| | |
|------------------------------------|--|
| Counterparty | The Lessor; Bangkok Ratchatawee Center Co., Ltd. (non-relationship with the Company) The lessee, 2S Metal PIC |
| Rental Property | The space for Board of Directors office of 9.3 m2 on the 30th flr. of Singha Complex, New Petchburi Rd., Bangkok, Huoykwang, Bangkok |
| Rental rate (excluding VAT) | Baht 35,440 per month, and Kitchen Amenities Bt. The Retainer fee by 2 months with Bt. 70,800 |
| Period | 6 months; 1 November 2024 – 30 April 2025 |
| Renewal Contract | Lessor may adjust the rental rate when contract reach the period, the renewal will automatically if Lessee has no notification of breaking. |
| Cancelation | <ol style="list-style-type: none"> 1. If Lessee wish to cancel before the end of period, the notification is important before more 3 months of the end of period. 2. In case, Lessee breaches the contract such as arrears of rent payments or violates compliance the regulations. The Lessor has the right to terminate the contract immediately by Notification |

3. warehouse agreement and Storage

| | |
|------------------------------------|--|
| Counterparty | The Lessor; United Steel Co., Ltd. The lessee, 2S Metal PIC |
| Rental Property | Warehouse with a total area of 999 m ² , location no. 272 moo 4, Nai-Klongplakod, Phrasamuthjadee district, Samuthprakarn for storage and distribution. |
| Rental rate (excluding VAT) | Baht 100,000 per month (included property tax), the communities fee and amenities is responsible by the Lessee |
| Period | 3 year; start on 1 January 2022 – 31 December 2024 |
| Renewal Contract | The Lessee responsible on maintenance expenses |
| Extra Condition | Either party has breach of any contract. The other has right to terminate the contract and call the compensation with interest 15% per year since the date of termination. |

| | |
|------------------------------------|--|
| Counterparty | The Lessor; Neastern Steel Co., Ltd. (its subsidiaries) The lessee, 2S Metal PIC |
| Rental Property | Warehouse (3) with a total area of 7,296 m ² , no. 147 Moo 9, Nong- Ngulueam, ChaloeMPhraKiat District, Nakhonratchasima Province |
| Rental rate (excluding VAT) | Baht 280,000 per month (excluded property tax), the communities fee and amenities is responsible by the Lessee |
| Period | 3 year; start on 1 July 2023- 30 June 2026 |
| Renewal Contract | The Lessee responsible on maintenance expenses |
| Extra Condition | Either party has breach of any contract. The other has right to terminate the contract and call the compensation with interest 15% per year since the date of termination. |

| | |
|------------------------------------|--|
| Counterparty | The Lessor; Neastern Steel Co., Ltd. (its subsidiaries) The lessee, 2S Metal PIC |
| Rental Property | <u>Contract 1</u> Area of 24 m ² , on the 1st floor of Building and area of 2,800 m ² in the warehouse, <u>Contract 2</u> Area of 4,860 m ² in the warehouse 4. Both locateion no. 147 Moo 9, Nong- Ngulueam, ChaloeMPhraKiat District, Nakhonratchasima Province |
| Rental rate (excluding VAT) | <u>Contract 1</u> service fee 70,000 Baht/month (included property tax and the communities fee) <u>Contract 2</u> service fee 180,000 Baht/month |
| Period | <u>Contract 1</u> 3 years; 1 December 2023- 30 November 2025 <u>Contract 2</u> 3 year; start on 1 June 2024- 31 May 2027 |
| Renewal Contract | The Lessee responsible on maintenance expenses |
| Extra Condition | Either party has breach of any contract. The other has right to terminate the contract and call the compensation with interest 15% per year since the date of termination. |

| | |
|------------------------------------|--|
| Counterparty | The Lessor; M.D.L. Import Export Co.,Ltd. (non-relationship with the Company) The lessee, 2S Metal PIC |
| Rental Property | Warehouse with a total area of 900 m ² , no. 210 mpp 10, Nong-komkoh, Mueng district, Nongkyai Province for storage and distribution. |
| Rental rate (excluding VAT) | Baht 648,000 per year (excluded the communities fee) and amenities is responsible by the Lessee |
| Period | 3 year; start on 1 June 2024-31 May 2027 |
| Renewal Contract | The Lessee responsible on maintenance expenses |
| Extra Condition | Either party has breach of any contract. The other has right to terminate the contract and call the compensation with interest 15% per year since the date of termination. |

4. Equipment rental agreement

| | |
|------------------------------------|--|
| Counterparty | The Lessor; Neastern Steel Co., Ltd. (its subsidiaries) The lessee, 2S Metal PIC |
| Rental Property | 2 of Crane |
| Rental rate (excluding VAT) | Baht 140,000 per month (Baht 70,000 each), due date 7th of each month |
| Period | Crane of Building 3; 3 years which start on 1 July 2023–30 June 2026 Crane of Building 4; 3 years which start on 1 August 2023–30 June 2026 |
| Renewal Contract | The Lessee responsible on maintenance expenses |
| Extra Condition | Either party has right to break the contract by Notification 1 month in advance |

Investment on Subsidiaries

Ended 31 December 2024, The company invested on the Subsidiaries as follows

| Subsidiary | Registered Capital | % of investment | Value of investment (Baht) |
|----------------------------------|--------------------|-----------------|----------------------------|
| 1. Neastern Steel Ltd | 90,000,000 บาท | 99.9 | 99,000,000 |
| 2. Mega Trans and Logis Co., Ltd | 30,000,000 บาท | 99.9 | 30,000,000 |
| 3. Grand Steel Pipe Co.,Ltd | 28,000 ล้านบาท | 97.1 | 87,770,000 |

The total investment in 3 subsidiaries was 216,770,000 Baht in total or 10.72% of total Company's assets.

The properties appraisal

-none



บริษัท 2 เอส เมทัล จำกัด (มหาชน)
เลขที่ 8/5 หมู่ 14 ตำบลท่าช้าง
อำเภอบางกล่ำ จังหวัดสงขลา 90110
โทร. 074 800111

สำนักงานคณะกรรมการ
เลขที่ 1788 อาคารสิงห์คอมเพล็กซ์ (รีจิส) ชั้น 30,
ถนนเพชรบุรีตัดใหม่ แขวงบางกะปิ
เขตห้วยขวาง กรุงเทพฯ 10310
โทร. 02-0883618

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