

INDEPENDENT AUDITOR'S REPORT

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
<p><u>Impairment of investments in subsidiaries</u></p> <p>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.</p> <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>	<p>My audit procedures included:</p> <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 - 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>

Key audit matters	How the matter was addressed in the audit
<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)

	Notes	Consolidated F/S		Separate F/S	
		31 December 2024	31 December 2023	31 December 2024	31 December 2023
ASSETS					
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)

	Notes	Consolidated F/S		Separate F/S	
		31 December 2024	31 December 2023	31 December 2024	31 December 2023
LIABILITIES AND SHAREHOLDERS' EQUITY					
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

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

(Unit : Thousand Baht)

Note	Consolidated F/S		Separate F/S	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
LIABILITIES AND SHAREHOLDERS' EQUITY (Continued)				
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
- Unappropriated		1,187,263	1,059,490	1,150,861
Other components of shareholders' equity		20,098	44,382	44,382
Shareholders' equity of the Company		1,934,119	1,830,630	1,922,001
Non-controlling interests in subsidiaries		(2,988)	-	-
TOTAL SHAREHOLDERS' EQUITY		1,931,131	1,830,630	1,922,001
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,085,452	2,022,670	2,143,166

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
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 remeasurements 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

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

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER

(Unit : Thousand Baht)

	Consolidated F/S		Separate F/S	
	2024	2023	2024	2023
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)	-	-
	<u>23,217</u>	<u>159,811</u>	<u>13,128</u>	<u>163,590</u>
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)	-	-
	<u>23,524</u>	<u>161,671</u>	<u>13,128</u>	<u>165,551</u>
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)	<u>549,996</u>	<u>549,996</u>	<u>549,996</u>	<u>549,996</u>

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED 31 DECEMBER

(Unit : Thousand Baht)

Shareholders' equity of the Company													
Note	Retained earnings				Other components of equity						Shareholders' equity of the Company	Non-controlling interests	Total
	Paid - up Share Capital	Premium on Share capital	Legal Reserve	Unappropriated	Other comprehensive income					Total Other components of equity			
					Surplus on revaluation of land - net of tax	Remeasurements of post-employment benefit obligation - net of tax	Translation adjustment for foreign currency financial statements	Discount on dilution of investment in subsidiaries company					
Consolidated F/S													
Balance as at 1 January 2023	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

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED 31 DECEMBER

(Unit : Thousand Baht)

	Note	Retained earnings			Other components of equity		Total	
		Paid - up Share Capital	Premium on Share capital	Legal Reserve	Other comprehensive income			
					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		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.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
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 credits 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.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
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

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

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.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

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.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

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.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

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.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

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.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

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.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

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.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

- 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.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

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.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

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.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

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).

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

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.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

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).

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

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.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

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.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

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.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

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.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

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.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

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.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

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	
<u>Financial assets</u>				
Cash at banks	240,194	-	-	240,194
Trade and other accounts receivable - net	378,830	-	-	378,830
Total	<u>619,024</u>	<u>-</u>	<u>-</u>	<u>619,024</u>
<u>Financial liabilities</u>				
Trade and other accounts payable	60,000	-	-	60,000
Lease liabilities	9,142	-	-	9,142
Total	<u>69,142</u>	<u>-</u>	<u>-</u>	<u>69,142</u>

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

(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.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

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

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

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

	(Unit: Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2024	2023	2024	2023
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:

	(Unit: Thousand Baht)			
	1 January 2024	During the year		31 December 2024
		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.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

	(Unit: Thousand Baht)			
	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

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

Transaction with related parties	(Unit: Thousand Baht)			
	Consolidated F/S		Separate F/S	
	For the years ended 31 December			
	2024	2023	2024	2023
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.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

8. CASH AND CASH EQUIVALENTS

	(Unit: Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2024	2023	2024	2023
Cash on hand	103	49	46	21
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

	(Unit: Thousand Baht)			
	Consolidated F/S		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

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

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)

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

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

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

11. INVESTMENTS IN SUBSIDIARIES

(Unit : Thousand Baht)

	Paid-up capital		Percentage of shareholding		Separate F/S			
					2024		2023	
					Investments		Investments	
	2024	2023	2024	2023	At cost	Dividend income	At cost	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.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

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	<u>202,911</u>	<u>376,404</u>	<u>672,888</u>	<u>28,535</u>	<u>164,879</u>	<u>105</u>	<u>1,445,722</u>
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	<u>(21,851)</u>	<u>(208,128)</u>	<u>(458,176)</u>	<u>(25,226)</u>	<u>(96,035)</u>	<u>-</u>	<u>(809,416)</u>
Net book value							
31 December 2024	<u>181,060</u>	<u>168,276</u>	<u>214,712</u>	<u>3,309</u>	<u>68,844</u>	<u>105</u>	<u>636,306</u>
Depreciation for the year 2024							
Cost of goods sold							45,483
Administrative expenses							10,945
Total							<u>56,428</u>

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

(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)

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

(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	
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

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

As at 31 December 2024 and 2023, the Company's and subsidiary's land and construction thereon, and machinery used for manufacturing with book values of Baht 84.29 million and Baht 47.23 million, respectively, in the consolidated financial statements, and Baht 76.38 million and Baht 38.87 million, respectively, in the separate financial statements have been mortgaged as collaterals for bank overdrafts, loans and other credit facilities with financial institutions as mentioned in Notes 25.2.

As at 31 December 2024 and 2023, the cost of fully depreciated assets that are still in use are Baht 434.60 million and Baht 396.63 million, respectively, in the consolidated financial statements and of Baht 203.97 million and Baht 194.26 million, respectively, in the separate financial statements.

13. LEASE

13.1 Rights-of-use- assets - net

During the year ended 31 December 2024 and 2023, the Company and subsidiaries have the following condensed movements in rights-of-use assets:

	(Unit : Thousand Baht)	
	Consolidated F/S	Separate F/S
Cost		
1 January 2023	15,801	91,826
Increased	5,689	5,689
Write – off during the period	(2,177)	(2,177)
31 December 2023	19,313	95,338
Increased	3,501	7,263
Decrease from remeasurement	-	(20,341)
31 December 2024	22,814	82,260
Accumulated depreciation		
1 January 2023	(6,823)	(18,534)
Amortization for write – off	1,374	1,374
Depreciation for the year	(2,071)	(6,776)
31 December 2023	(7,520)	(23,936)
Decrease from remeasurement	-	8,243
Depreciation for the year	(2,413)	(7,232)
31 December 2024	(9,933)	(22,935)

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

	(Unit : Thousand Baht)	
	Consolidated F/S	Separate F/S
Net book value		
31 December 2023	11,793	71,402
31 December 2024	12,881	59,335
Depreciation		
Administrative expenses for the year 2023	(2,071)	(6,776)
Administrative expenses for the year 2024	(2,413)	(7,232)

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	Separate F/S
	2024	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.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

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

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

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

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

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:

	(Unit : Thousand Baht)			
	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

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

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:

	(Unit: Thousand Baht)	
	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.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

19. INCOME TAX

Reconciliation of income tax expenses are as follows:

	(Unit : Thousand Baht)			
	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	<u>6,550</u>	<u>6,278</u>	<u>2,815</u>	<u>7,177</u>
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	<u>6,550</u>	<u>6,278</u>	<u>2,815</u>	<u>7,177</u>

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

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			31 December 2024
	Recognised as income (expense)		Other comprehensive income	
	1 January 2024	Profit or loss		
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			31 December 2023
	Recognised as income (expense)		Other comprehensive income	
	1 January 2023	Profit or loss		
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)

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

(Unit : Thousand Baht)

	Separate F/S			31 December 2024
	1 January 2024	Recognised as income (expense)		
		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	(2,175)	1,762	-	413

(Unit : Thousand Baht)

	Separate F/S			31 December 2023
	1 January 2023	Recognised as income (expense)		
		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	(4,672)	2,987	(490)	(2,175)

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.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

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 totalling 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 totalling Baht 38.50 million. The dividend was paid on 12 September 2024.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 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.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

(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	<u>2,852.79</u>	<u>2,722.44</u>	<u>4,855.41</u>	<u>4,191.38</u>	<u>(261.15)</u>	<u>(138.48)</u>	<u>7,447.05</u>	<u>6,775.34</u>
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	<u>29.30</u>	<u>86.47</u>	<u>(15.10)</u>	<u>73.58</u>	<u>8.37</u>	<u>(0.24)</u>	<u>22.57</u>	<u>159.81</u>
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	<u>2,852.79</u>	<u>2,722.44</u>	<u>4,855.41</u>	<u>4,191.38</u>	<u>(261.15)</u>	<u>(138.48)</u>	<u>7,447.05</u>	<u>6,775.34</u>

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	<u>2,852.79</u>	<u>2,722.44</u>	<u>4,855.41</u>	<u>4,191.38</u>	<u>(261.15)</u>	<u>(138.48)</u>	<u>7,447.05</u>	<u>6,775.34</u>

Major Customer

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

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

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:

<u>Certificate No.</u>	<u>Date</u>	<u>Promoted activity types</u>	<u>Commence date of revenues generated</u>	<u>Expiry date</u>
<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:

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

	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.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

25.2 As at 31 December 2024 and 2023, the credit facilities of the Company and subsidiary are as follows:

(Unit : Million Baht)

		Consolidated F/S					
		31 December 2024			31 December 2023		
Currency		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)

		Separate F/S					
		31 December 2024			31 December 2023		
Currency		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.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

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						Interest Rate (% per annum)
	2024						
	Fixed interest rate			Floating	Non	Total	
Within 1 year	More than 1 – 5 years	More than 5 years	Interest rate	Interest rate			
<u>Financial assets</u>							
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	
<u>Financial liabilities</u>							
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	

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

(Unit : Thousand Baht)

	Consolidated F/S						
	2023						
	Fixed interest rate			Floating	Non	Total	Interest Rate (% per annum)
	Within 1 year	More than 1 – 5 years	More than 5 years	Interest rate	Interest rate		
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	Non	Total	Interest Rate (% per annum)
	Within 1 year	More than 1 – 5 years	More than 5 years	Interest rate	Interest rate		
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	

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

(Unit : Thousand Baht)

	Separate F/S						
	2023						
	Fixed interest rate			Floating	Non	Total	Interest
	Within 1 year	More than 1 – 5 years	More than 5 years	Interest rate	Interest rate		Rate (% per annum)
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
Cash at banks		
USD	172	33.7514

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

		(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.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

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.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

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

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

(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.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL INFORMATION
FOR THE YEARS ENDED 31 DECEMBER 2024

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.