



**Annual Registration Statement / Annual Report 2025**  
**Form 56-1 One Report**  
**(e-One Report)**

**POSCO-THAINOX PUBLIC COMPANY LIMITED**

Fiscal Year End 31 December 2025



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## **Part 1 Business Operations and Performance**

## 1. Organizational structure and operation of the group of companies

### 1.1 Policy and business overview

#### 1.1.1 Overview of the vision, objectives, goals and business strategies

##### Message from the chairman

The year 2025 was a period in which the stainless steel industry continued to operate amid changes in the global economic environment and the international trade structure. Nevertheless, the Company conducted its business in a stable manner, supported by the strength of the domestic market as its core revenue driver, together with efficient management and long-standing expertise in the stainless steel business.

Competition in the domestic market became increasingly diversified with the expanded presence of imported products, particularly from China, which influenced pricing levels and competitive dynamics. In response, the Company focused on differentiation through product quality, service standards, delivery reliability, and a deep understanding of domestic customer needs. These efforts enabled the Company to maintain customer confidence and long-term business relationships.

With respect to raw materials, the Company closely monitored nickel price movements and managed procurement plans and inventory levels in line with market conditions. This approach supported pricing that appropriately reflects underlying costs while maintaining sustainable competitiveness.

In parallel, the Company continued to develop export market opportunities, taking into consideration international trade policies and regulatory developments, including the broader context of trade policy directions associated with U.S. President Donald Trump, which may influence trade flows and tariff measures in certain markets. These considerations help enhance flexibility and balance within the Company's revenue base over the long term.

The Company remains committed to conducting its business in accordance with ESG principles, with an emphasis on efficient resource utilization, environmental impact management, workplace safety and occupational health, continuous employee development, and sound corporate governance founded on transparency and accountability to all stakeholders. These practices form the foundation for sustainable value creation and long-term growth.

Looking ahead to 2026, the Company will continue to strengthen its position in the domestic market as a core strategy, enhance value-added products and services, improve operational efficiency, and selectively expand business opportunities in potential markets. These efforts aim to support stable and sustainable growth amid an evolving competitive landscape.

On behalf of the management team, I would like to express my sincere appreciation to our customers, business partners, shareholders, financial institutions, and employees for their continued support. The Company remains committed to strengthening its organization and creating sustainable value for all stakeholders.

Yours sincerely,  
Mr. Tae Hyung Kang  
Director/President

##### Image Message from the chairman



**Mr. Tae Hyung Kang**  
Director / President

### **Vision**

Materials for Tomorrow, Innovation for Excellence

### **Objectives**

N/A

### **Goals**

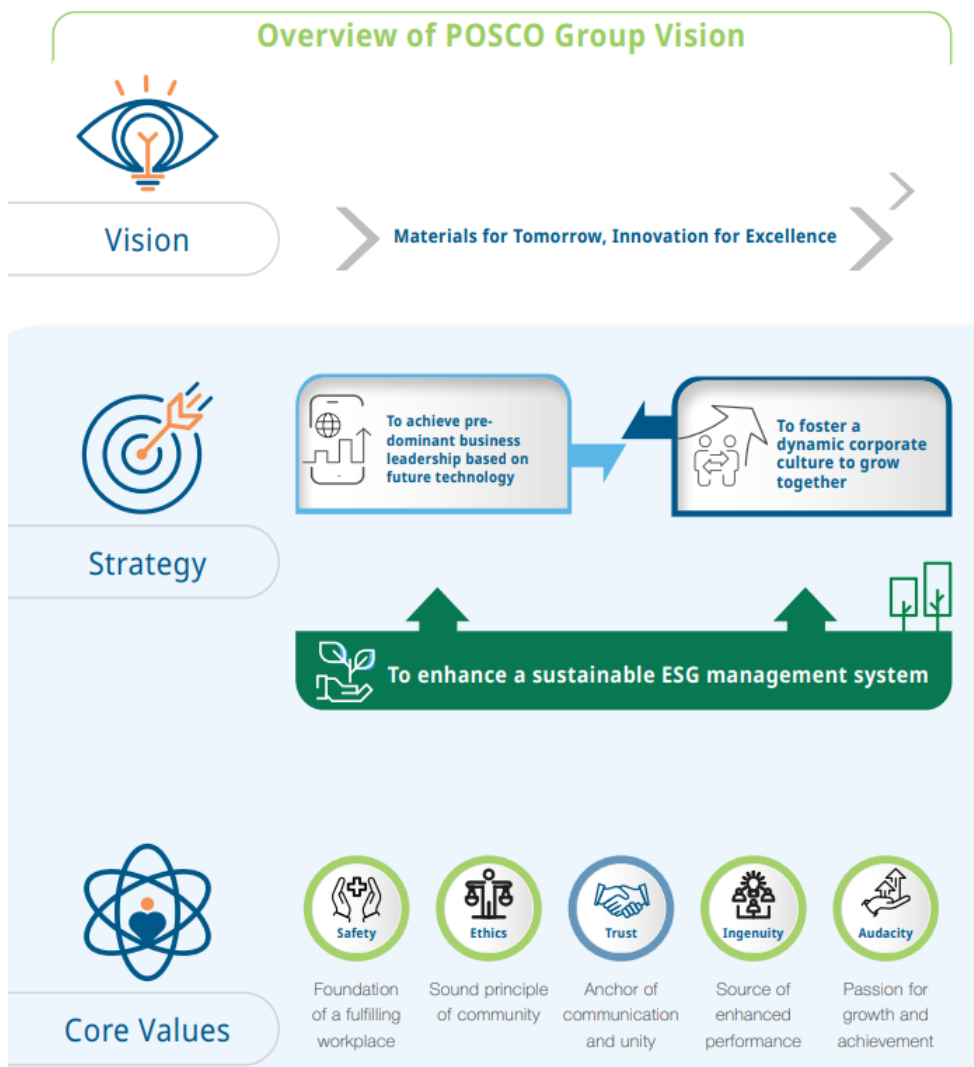
- Offers high-quality products that meet market demands
- Providing excellent service and support to customers
- Conducting business with sustainable economic values
- Maximizing value for shareholders
- Taking responsibility for the sustainable development of society

### **Business strategies**

To achieve predominant business leadership based on future technology

To foster a dynamic corporate culture to grow together

To enhance a sustainable ESG management system



Vision

Better World with Green Steel

Real Value

Environmental value

To help the world reach net zero  
with breakthrough technologies

Economic value

To sustain growth by redefining  
the value of steel

Social value

To build a better future for all

Strategic  
Directions



## 1.1.2 Material changes and developments

### Details regarding material changes and developments

years	Material changes and developments
2025	On September 17, 2025, the company earned the Outstanding Industry Award for the year 2025 in the Circular Economy category under the project to expand the cold-rolled stainless steel sheet production plant from the Office of Natural Resources and Environmental Policy and Planning, under the concept of EIA NEXT STEP: The Next Sustainable Growth, moving forward for EIA towards sustainability.
2024	POSCO-Thainox PCL recognizes the importance of Environmental, Social, and Governance factors on operational legitimacy and long-term value creation. In Meeting of Board of Directors No. 5/2024, On November 8, 2024, an ESG Committee was appointed to oversee and manage ESG-related issues. The committee is dedicated to aligning operations with the company's values and the long-term interests of stakeholders.

years	Material changes and developments
2023	<ul style="list-style-type: none"> <li>● The Annual General Meeting No. 1/2023 held on April 21, 2023, resolved to pay dividends for the operating results from January 1, 2022, to December 31, 2022. The total amount was 189,435,731.13 baht, or 0.0243 baht per share, and the dividends were paid on May 19, 2023.</li> <li>● On May 18, 2023, the Company received Recycled Claim Standard version 2.0 (RCS 2.0) certificates, an international, voluntary standard that sets requirements for third-party certification of Recycled input and chain of custody. The goal of the RCS is to increase the use of Recycled materials.</li> <li>● The company has participated in projects with the Department of Industrial Works, such as the project to promote industrial industry to be socially responsible and community development goals for agriculture (CSR - DIW to achieve the SDGs, the dynamic industrial waste management project, Zero Waste to Landfill, On June 29, 2023, the Company received the Level 4 Green Industry (Green Culture) certificate by the Department of Industrial Works, Ministry of Industry on.</li> <li>● On July 19, 2023, the company received an honorable mention, EIA Monitoring Awards in the cold-rolled stainless steel sheet production project category. From the Office of Natural Resources and Environmental Policy and Planning Ministry of Natural Resources and Environment</li> </ul>
2022	<ul style="list-style-type: none"> <li>● POSCO (South Korea), the major shareholder of the Company (74.56 percent), changed the Company structure in March 2022, thus changing its name to POSCO Holding Inc. and separating its steel business into a new Company named POSCO Co., Ltd.</li> <li>● On December 20, 2022, the Company's major shareholder changed from POSCO Holding Inc. to POSCO Co., Ltd. By changing major shareholders, there was no change in the management of the Company, such as its directors or management structure, in any way. In addition, the shareholding restructuring of the business fell under Clause 9(5)(b) of the Notification TJ. 12/2011 that the person who acquired the shares of the business (POSCO Co., Ltd.) was under the control of the person who had total control over the shares of the business (POSCO Holding Inc.) prior to the acquisition of such shares. The Company was, therefore, exempted from making a tender offer for general shareholders with the Office of the Securities and Exchange Commission.</li> <li>● The Annual General Meeting No. 1/2022 held on April 28, 2022, resolved to pay dividends for the operating results from January 1, 2021, to December 31, 2021. The total amount was 834,140,873.40 baht, or 0.107 baht per share, and the dividends were paid on May 20, 2022.</li> </ul>

years	Material changes and developments
2021	<ul style="list-style-type: none"> <li>● On Friday, October 15, 2021, POSCO Family affiliates organized an event to donate items to help flood victims in Thailand. The chairman of each company went to the Channel 3 Maleenont Building to deliver items and distribute them to victims in various provinces.</li> <li>● In response to the spread of the COVID-19 virus, the Company provided protective equipment for COVID-19 to the Map Kha Phatthana Subdistrict Municipality Office in Nikhom Phatthana District, Rayong Province. It was found that there were many more patients and deaths, including patients in many areas. It was considered a part of corporate citizenship in society to help with the problems that society was facing and to work together to get through this crisis together.</li> <li>● On November 16, 2021, Mr. Yong Chul Kwon, President of POSCO-Thainox Public Company Limited, along with staff, delivered a stainless-steel bench designed under the concept of universal design, which was the winning work of the contest, POSCO-Thainox Design Award 2020 for the Mass Rapid Transit Authority of Thailand's Chalong Ratchadham Line (Purple Line) throughout the route total of 16 stations, 32 sets, and the Phra Nang Klao Bridge Pier Building, 6 sets. Mr. Wittaya Phanmongkol, Deputy Governor (Operation), Mass Rapid Transit Authority of Thailand, was the chairman of the grant for public use under the corporate citizenship philosophy to create a better future and achieve sustainable success together with the community and society.</li> </ul>
2020	<p>According to the corporate citizenship project, "Corporate Citizenship," the Company had a project to donate furniture made from the Company's products to schools in need and received cooperation from business partners, namely, Stainless Houseware Industry Company Limited, which produced dining table sets with seats, and Thai Stainless-Steel Company Limited, which helped produce food trays free of charge.</p> <ul style="list-style-type: none"> <li>● On February 18, 2020, the Company delivered a set of dining tables and benches made of stainless steel to Ban Chak Pudsa School, Chonburi Province, for use in the canteen, at a total value of 90,000 baht.</li> <li>● On September 28, 2020, the Company delivered a set of dining tables, benches made of stainless steel, and a food tray and renovated the canteen at Ban Phu Sai School, Chonburi Province, to raise the quality of life for students in the school and spend a total of 520,000 baht on the project.</li> </ul> <p>In addition, the Company organized a design contest for benches made of stainless steel under the project name POSCO-Thainox Design Award 2020 to promote the creativity of young designers, giving students the opportunity to design stainless steel furniture for public use. A total of 26 students from 12 leading universities across all regions of Thailand were interested in submitting their works to the contest. On August 28, 2020, the Company held an award ceremony for the contest winners. It was a prize worth 285,000 baht. The winning works of the Company were used to produce stainless steel benches for public use. On December 2, 2020, the Company delivered 50 3-seat stainless steel benches worth 2,800,000 baht to Police General Asawin Kwanmuang, Governor of Bangkok, for the benefit of people who use the service in the Wachirabenchathat Park area (Rot Fai Park).</p>

years	Material changes and developments								
2019	<ul style="list-style-type: none"> <li>● The Annual General Meeting No. 1/2019 held on April 26, 2019, resolved to pay dividends from the operating results from January 1, 2018, to December 31, 2018. The total amount was 446.15 million baht, or 0.05723 baht per share, and the dividends were paid on May 17, 2019.</li> <li>● In November 8, 2019, the Board of Directors Meeting No. 5/2019 approved a budget of 8.5 million USD to invest in the Coil Build-up Line or CBL to reduce the chance of production loss from rolling. It was expected that the production yield would increase from 91.5 percent to 93.1 percent and result in an increase in production profit of 12.4 USD per ton.</li> <li>● On April 29, 2019, the Company was awarded the "Gold Level" assessment, which was the highest level for participating in the prevention measures awareness campaign on occupational safety, health, and working environment from the Department of Labor Protection and Welfare.</li> </ul>								
2018	<ul style="list-style-type: none"> <li>● On February 15, 2018, the Board of Directors Meeting No. 2/2018 approved a budget of 8.3 million USD to invest in the Skin Pass Mill or SPM to reduce the likelihood of production loss (2B,BA ) and increase product production (QQ). It was expected that the production capacity of SPM would increase by 80,000 tons per year. However, this project would be completed in September 2019, but due to damage caused by the transportation of machinery, it was not able to be completed as scheduled. And due to the outbreak of COVID-19, it was expected to be completed by 2021.</li> <li>● The Annual General Meeting No. 1/2018 held on April 21, 2018, resolved to pay dividends from the operating results from January 1, 2017, to December 31, 2017. The total amount was 207.37 million baht, or 0.0266 baht per share, and the dividends were paid on May 18, 2018.</li> </ul>								
2017	<ul style="list-style-type: none"> <li>● The Annual General Meeting No. 1/2017 held on April 21, 2017, resolved to pay dividends for the operating results from January 1, 2016, to December 31, 2016. The total amount was 385.88 million baht, or 0.0495 baht per share, and the dividend was paid on May 18, 2017.</li> <li>● The Company notified the government of the location of the Company's head office. <table border="1"> <thead> <tr> <th>Original</th><th>Change To</th></tr> </thead> <tbody> <tr> <td>87/2 CRC Tower, All Seasons Place, 31<sup>st</sup> Floor, Unit 3101-3, Wireless Road, Lumpini Sub-District, Pathum wan District, Bangkok</td><td>622 Emporium Tower, 15/6-8 Floor, Sukhumvit Road, Klongton Sub-District, Klongtoey District, Bangkok</td></tr> <tr> <td>Phone No. 0-2250-7622-32</td><td>Phone No. 0-2494-3130-47</td></tr> <tr> <td>Fax No. 0-2250-7633-4</td><td>Fax No. 0-2494-3148-9</td></tr> </tbody> </table> </li> <li>● POSCO-Thainox Public Company Limited and POSCO Company Limited, a company incorporated under Korean law, entered into a bilateral advance pricing agreement with the Revenue Department of Korea and the Revenue Department of Thailand for the purchase of hot-rolled stainless-steel coils from POSCO Company Limited for the accounting period ended on December 31, 2013, to December 31, 2017. As a result, the Company had to pay penalties and tax surcharges for transactions in that period in the amount of 93.2 million baht.</li> </ul>	Original	Change To	87/2 CRC Tower, All Seasons Place, 31 <sup>st</sup> Floor, Unit 3101-3, Wireless Road, Lumpini Sub-District, Pathum wan District, Bangkok	622 Emporium Tower, 15/6-8 Floor, Sukhumvit Road, Klongton Sub-District, Klongtoey District, Bangkok	Phone No. 0-2250-7622-32	Phone No. 0-2494-3130-47	Fax No. 0-2250-7633-4	Fax No. 0-2494-3148-9
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Phone No. 0-2250-7622-32	Phone No. 0-2494-3130-47								
Fax No. 0-2250-7633-4	Fax No. 0-2494-3148-9								

years	Material changes and developments
2016	<ul style="list-style-type: none"> <li>● Maintenance and repair of large machines (SRG and ZRG), air conditioning systems, and firefighting equipment were improved throughout the factory. The Company also installed a new type of rolling and surfacing CPL machine and a cutting machine (Mini Sliter) at the stainless-steel cold rolling service center (POS-TSPC).</li> <li>● The Annual General Meeting No. 1/2016 held on April 21, 2016, resolved to pay dividends for the operating results from January 1, 2015, to December 31, 2015. The total amount was 105.24 million baht, or 0.0135 baht per share, and the dividends were paid on May 18, 2016.</li> </ul>
2014	The Company organized a major overhaul of the production control system in the entire APF (cleaning and sterilized by heat) system, which has a great effect on the quality control system and product reliability
2013	<ul style="list-style-type: none"> <li>● On March 15, 2013, the Board of Directors Meeting No. 3/2013 resolved to dispose of land that was not used in the core business to a third party. The land was sold at a price higher than the market price, which made the Company had more working capital.</li> <li>● In May 2013, the Company opened a cold-rolled stainless steel service center (POS-TSPC), a stainless-steel slitting factory, at Amata Nakorn Industrial Estate, Chonburi Province.</li> </ul>
2012	<ul style="list-style-type: none"> <li>● The Company installed an ERP (Enterprise Resource Planning) management system, which it used as a management approach and manages to the same standard as all other companies in the Group. In September 2012, the Company purchased a factory and machines for cutting stainless steel from a Company in Amata Nakorn Industrial Estate, Chonburi Province, in order to expand the scope of services to cover more retail customers. The factory was expected to be ready for operation in the 2<sup>nd</sup> quarter of 2013.</li> <li>● In December 2012, the Mahagitsiri family exercised its rights under the share purchase agreement above to buy back the Company's ordinary shares from POSCO (South Korea) in the amount of 10% of the paid-up capital.</li> </ul>

years	Material changes and developments
2011	<ul style="list-style-type: none"> <li>● POSCO (South Korea) issued a letter of intent to acquire securities for a voluntary business takeover dated July 6, 2011, to the Company. There was a condition that the Company must hold a meeting of the board of directors and/or a shareholders' meeting to approve the sale of land and non-production land and assets of the Company.</li> <li>● On September 14, 2011, the Extraordinary General Meeting of Shareholders No. 1/2011 resolved to approve the sale of non-production land and assets of the Company, and approved the amendment to Article 32 of the Company's Articles of Association and cut off verse 39 completely. Therefore, the Company's articles of association were reduced from 51 to 50 articles.</li> <li>● POSCO (South Korea) made a tender offer for the Company's ordinary shares and became a major shareholder of the Company.</li> <li>● On October 21, 2011, the Extraordinary General Meeting of Shareholders No. 2/2011 resolved as follows: <ol style="list-style-type: none"> <li>1. Approved the change of the Company's name from "Thainox Stainless Public Company Limited" to "POSCO-Thainox Public Company Limited".</li> <li>2. Approved the amendment to Clause 1 of the Memorandum of Association (Change of the Company Name).</li> <li>3. Approved the amendment to the Articles of Association of the Company with respect to the Company name and seal.</li> <li>4. Approved to reduce the number of directors on the board to 9 people.</li> </ol> </li> </ul>
2010	The Company's Phase 3 expansion project was able to go ahead as it was not constitutionally classified as a project or activity with a "severe" health impact.
2009	<ul style="list-style-type: none"> <li>● On June 15, 2009, the Company informed the Stock Exchange of Thailand about the reduction of the Company's registered capital from 8,000,000,000 baht to 7,795,709,100 baht by writing off treasury stocks that had not been sold after 3 years in the amount of 204,290,900 shares with a par value of 1 baht per share, totaling 204,290,900 baht. The Company already registered with the Ministry of Commerce on June 18, 2009.</li> <li>● The Stock Exchange of Thailand regrouped INOX securities into the Steel Industry group.</li> </ul>
2008	The Company started testing production in the 3 <sup>rd</sup> Sendzimir Cold-Rolling Mill, with the project to expand the production capacity of cold-rolled stainless steel to 300,000 tons per year.
2007	<ul style="list-style-type: none"> <li>● In early 2007, the Company entered into a purchase and sale contract for its main raw materials with POSCO (South Korea), in addition to the raw material purchase contract with Arcelor. It also negotiated with the Arcelor Group to cancel the exclusive distribution agreement for the Company's products in foreign markets. Moreover, the Company entered into a distributor agreement with POSCO (South Korea) to increase its export distribution channels, which would result in the Company's export sales increasing accordingly.</li> <li>● Reached 1,500,000 tons of production, a testament to the success of the solid foundation laid over the past 18 years.</li> <li>● The Company installed the 3<sup>rd</sup> Sendzimir Cold-Rolling Mill.</li> </ul>

years	Material changes and developments
2006	<ul style="list-style-type: none"> <li>● On November 13, 2006, the Company resolved to pay interim dividends for the operating results from January 1, 2006, to September 30, 2006. The total amount was 1,169 million baht, or 0.15 baht per share. These shares were already deducted from the 204,290,900 treasury shares of the Company. The dividends were paid on December 12, 2006. It was reported to the Annual General Meeting No. 1/2007 on April 23, 2007 for acknowledgment. In addition, the Company would not pay dividends for the operating results from October 1, 2006, to December 31, 2006.</li> <li>● The Company planned to expand the market by co-establishing NS-Thainox Auto Company Limited with NS-SL Company Limited (currently NIPPON STEEL STAINLESS STEEL CORPORATION) of Japan, which was one of the potential alliances in the world's steel industry, and Siam Lotus Company Limited to open the stainless-steel market in the automotive and motorcycle industries in Thailand. This would contribute to increasing the Company's sales and market share in this segment.</li> <li>● The Company received ISO/IEC 17205:1999, a capacity certification mark for the Hardness and Tensile testing laboratories.</li> <li>● The Company received ISO 14001:2004 from BVQI, a standard certification mark for environmental management.</li> </ul>

years	Material changes and developments				
2005	<ul style="list-style-type: none"> <li>• The Annual General Meeting No. 1/2005 of Thainox Stainless Public Company Limited, held on April 25, 2005, resolved to pay dividends of 800 million baht, or 0.10 baht per share, for 8,000,000,000 ordinary shares. This was paid from the profit received by the investment promotion with the dividends on May 12, 2005.</li> <li>• The Extraordinary General Meeting of Shareholders No. 1/2005 of Thainox Stainless Public Company Limited on October 13, 2005, unanimously resolved to approve the amendment of Article 10 of the Company's Articles of Association as follows: <table border="1"> <thead> <tr> <th>Original</th><th>Change To</th></tr> </thead> <tbody> <tr> <td>The company is prohibited from taking pledges on its own shares.</td><td>The company can buy back its shares and sell them within the time specified in the ministerial regulations. According to the provisions of the law on public limited companies and the law on securities and exchange, in the event that the company does not sell or is unable to sell all the shares that it has repurchased within the specified period, it will reduce its paid-up capital by cutting off the unsold registered shares. The shares held by the company shall not be counted as a quorum for a meeting of shareholders and shall not have voting rights or the right to receive dividends. The company can repurchase its shares as specified in the preceding paragraph, subject to the approval of the company's shareholders. However, the board of directors has the power to approve the share repurchase of not more than 10 percent of the total paid-up registered shares.</td></tr> </tbody> </table> </li> <li>• The Company repurchased 204,290,900 shares on December 31, 2005.</li> <li>• The Company has changed the stock symbol in the securities trading system from the old one, "TNX," to a new one, "INOX," since January 27, 2006.</li> <li>• From January 1, 2005, to September 30, 2005, the whole amount was paid from the profit received by investment promotion, amounting to 194 million baht or 0.025 baht per share. These shares were already deducted from the 204,290,900 treasury shares of the Company. The dividends were paid on February 23, 2006. It was reported to the Annual General Meeting No. 1/2006 on April 28, 2006, for acknowledgement. In addition, the Company would not pay dividends for the operating results from October 1, 2005, to December 31, 2005.</li> </ul>	Original	Change To	The company is prohibited from taking pledges on its own shares.	The company can buy back its shares and sell them within the time specified in the ministerial regulations. According to the provisions of the law on public limited companies and the law on securities and exchange, in the event that the company does not sell or is unable to sell all the shares that it has repurchased within the specified period, it will reduce its paid-up capital by cutting off the unsold registered shares. The shares held by the company shall not be counted as a quorum for a meeting of shareholders and shall not have voting rights or the right to receive dividends. The company can repurchase its shares as specified in the preceding paragraph, subject to the approval of the company's shareholders. However, the board of directors has the power to approve the share repurchase of not more than 10 percent of the total paid-up registered shares.
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years	Material changes and developments
2004	<ul style="list-style-type: none"> <li>● The Company accumulated a total of 1,000,000 tons of cold-rolled stainless-steel production since its establishment. This confirmed the leadership in the production of cold-rolled stainless steel in the ASEAN region.</li> <li>● The Company received ISO/IEC 17205:1999, a certification mark for quality management system for testing laboratories.</li> <li>● The Company restructured its shareholders as the Arcelor Group sold all of its shares held in the Company to the Mahagitsiri family. As a result, the shareholding proportion of the Mahagitsiri family increased to 96.1 percent, consisting of Mr. Prayut Mahagitsiri holding 25.2 percent, Lakewood Country Club Company Limited holding 3.5 percent, Lakewood Land Company Limited holding 66.5 percent, and Thai Film Industry Public Company Limited holding 0.9 percent of shares.</li> <li>● The Company converted to a public company on April 26, 2004.</li> <li>● The Company registered to change its name to Thainox Stainless Public Company Limited in June 2004.</li> <li>● The Board of Governors of the Stock Exchange of Thailand ordered the Company's ordinary shares to be listed on the Stock Exchange of Thailand and scheduled for trading from December 14, 2004.</li> </ul>
2003	<ul style="list-style-type: none"> <li>● The Company restructured its financial structure by reducing the par value of the Company's ordinary shares from 32 baht per share to 29 baht per share of the registered capital of 149,028,540 shares in order to reduce the accumulated loss and increase the Company's registered capital from 4,321,827,660 baht to 7,670,411,666 baht. The said capital increase was from the Arcelor Group, the shareholder and creditor of the Company. In addition, the Company was exempted from debt with respect to accrued interest in the amount of 1,285 million baht, and it partially repaid the loan. As a result, the Company's amount of debt and accrued interest at the end of 2003 was 1,495 million baht.</li> <li>● The Company improved its production process (debottlenecking), resulting in a total production capacity of 200,000 tons per year.</li> <li>● The Company received ISO 9001: 2000, a standard certification mark for quality management system.</li> </ul>
2002	<ul style="list-style-type: none"> <li>● The Company started implementing the TOP (Total Operative Program) of McKinsey. The said project was a project for the production process to achieve maximum efficiency and reduce production costs. The monitoring and analysis of processes have been carried out since March 2002 under the name of the Company internally refers to as the "TPM Plus" program.</li> <li>● The Company received OHSAS 18001, a standard certification mark for safety management system.</li> </ul>
2001	<ul style="list-style-type: none"> <li>● The Company operated the skin pass and tension leveler machines during the annealing and deoxidation processes.</li> <li>● The Company started the TPM (Total Productive Management) project.</li> <li>● The Company was awarded the Prime Minister's Export Award in the category of Brand Name for the year 2001.</li> </ul>
2000	The Company received ISO 14001, a standard certification mark for environmental management system.
1999	<ul style="list-style-type: none"> <li>● The Company was able to increase its production capacity to 160,000 tons per year.</li> <li>● The Company received ISO 9002, a standard certification mark for quality management system.</li> </ul>

years	Material changes and developments
1998	The Company installed a bright annealing line process, allowing it to conduct the production of products in a more complete process.
1997	<ul style="list-style-type: none"> <li>● The Company installed the 2<sup>nd</sup> Sendzimir Cold-Rolling Mill (ZRM2).</li> <li>● The Company was able to increase its production capacity to 120,000 tons per year.</li> </ul>
1996	The Company started the factory construction on Phase II to expand the production capacity to 160,000 tons per year with a step-by-step increase.
1993	Phase I of the stainless-steel factory construction was completed with a capacity of 60,000 metric tons per annum. It could commence commercial operation in November.
1992	Started construction of a stainless-steel factory on an area of 125 rai, located in Rayong Industrial Park, Mapkha Sub-District, Nakhon Phatthana District, Rayong Province. The factory was located in the industrial area of the east coast.
1990	Thainox Stainless Public Company Limited (formerly Thainox Steel Company Limited) was established on July 30, 1990, as a joint venture between (1) the Mahagitsiri family, (2) a Japanese stainless steel producer group, (3) the Ilva SPA Group, and (4) the Arcelor Group which was the world's largest producer of steel and stainless steel (formerly the USINOR and Ugine Groups).

### 1.1.3 Spending of the raised fund to serve the objectives declared in the registration statement for securities offering

Is there an issuance of equity securities or debt securities? : No

### 1.1.4 The obligations to which the company has committed in the registration statement, including the compliance with such obligations or conditions in the following years

Are there any issued securities with obligations or : No  
conditions?

### 1.1.5 Company information

Company name : POSCO-THAINOX PUBLIC COMPANY LIMITED

Symbol : INOX

Address : 622 Emporium Tower, Floor 15/6-8, Sukhumvit Road,  
Klongton, Klongtoey

Province : Bangkok

Postcode : 10110

Business : Manufacturing and selling of Cold-rolled stainless  
steel for domestic and export.

Registration number : 0107547000419

Telephone : 0-2494-3130-47

Facsimile number : 0-2494-3148-49

Website : [www.poscothainox.com](http://www.poscothainox.com)

Email : [investorrelations@poscothainox.com](mailto:investorrelations@poscothainox.com)

Total shares sold

Common stock : 7,795,709,100

Preferred stock : 0

## 1.2 Nature of business

### 1.2.1 Revenue structure

#### Revenue structure by product line or business group

	2023	2024	2025
<b>Total revenue from operations (thousand baht)</b>	14,067,414.00	14,379,173.00	13,250,716.00
stainless (thousand baht)	13,984,666.00	14,223,229.00	13,066,930.00
Other (thousand baht)	82,748.00	155,944.00	183,786.00
<b>Total revenue from operations (%)</b>	100.00%	100.00%	100.00%
stainless (%)	99.41%	98.92%	98.61%
Other (%)	0.59%	1.08%	1.39%

#### By geographical area or market

	2023	2024	2025
<b>Total revenue from operations (thousand baht)</b>	14,067,414.00	14,379,173.00	13,250,716.00
Domestic (thousand baht)	10,188,188.00	9,712,147.00	9,162,489.00
International (thousand baht)	3,879,226.00	4,667,026.00	4,088,227.00
<b>Total revenue from operations (%)</b>	100.00%	100.00%	100.00%
Domestic (%)	72.42%	67.54%	69.15%
International (%)	27.58%	32.46%	30.85%

#### Other income as specified in the financial statements

	2023	2024	2025
<b>Total other income (thousand baht)</b>	55,477.00	158,424.00	92,478.00
Other income from operations (thousand baht)	23,923.00	85,751.00	31,471.00
Other income not from operations (thousand baht)	31,554.00	72,673.00	61,007.00

Share of profit of joint ventures and associates accounted for using equity method

	2023	2024	2025
Share of profit (thousand baht)	-41.00	2,136.00	1,252.00

## 1.2.2 Information on products and services

### 1.2.2.1 Product/service information and business innovation development

#### Cold Rolled Stainless Steel

##### Product Model

The Company produces and distribute various grades of cold-rolled stainless\* steel in the form of sheets, coils, and strips. By dividing the main products of the Company according to the microstructure, the Company's products can be divided into 2 main types, namely, (1) Cold Rolled Austenitic Stainless Steel and (2) Cold Rolled Ferritic Stainless Steel. Both of these types of stainless steel are the most commonly used, accounting for about 90 percent of all stainless steels currently in use. The cold-rolled stainless steel of the Company will have a thickness of 0.30 mm to 3.00 mm and a width of 30 mm to 1,265 mm.

\*Stainless steel is a general term used to refer to steel in a group that has resistance to corrosion. This is generally true for steel containing chromium, at least 10.5 percent of which will act to create a protective film that resembles a corrosion-resistant shield to prevent the steel surface from reacting with oxygen in the air to form an oxide film on the metal surface and causing the steel surface to corrode, or known as rust.

##### Cold-Rolled Austenitic Stainless Steel

Cold-Rolled Austenitic Stainless Steel is the most widely used stainless steel around the world because it is highly corrosion resistant, flexible, non-magnetic, easy to clean, and hygienic in all applications by heat, cold, and sudden temperature changes. Therefore, this type of stainless steel is used in many industries. Austenitic stainless steel contains 1–14 percent of nickel and 16–25 percent of chromium. This is because austenitic stainless steel is more durable and resistant to corrosion than ferritic stainless steel. Therefore, more than 70 percent of the stainless steel used in Asia is austenitic stainless steel. The Company produces cold-rolled austenitic stainless-steel grades 304, 304 L, and 316 L, divided by surface into 4 types:

- Cold-Rolled Austenitic Stainless-Steel No. 1 (Matte Surface)
- Cold-Rolled Austenitic Stainless Steel 2D (Super Matte Surface)
- Cold-Rolled Austenitic Stainless Steel 2B (Shiny Surface)
- Cold-Rolled Austenitic Stainless-Steel BA (Shiny and Glossy Surface)

Incidentally, cold-rolled austenitic stainless steels are more expensive than cold-rolled ferritic stainless steels due to their higher cost and more volatile nickel.

The Company produced cold-rolled austenitic stainless steels, accounting for approximately 61 percent of total cold-rolled stainless steels produced in 2024.

##### Cold-Rolled Ferritic Stainless Steel

Cold-Rolled Ferritic Stainless Steel is the nickel-free stainless steel and, therefore, have moderate corrosion resistance properties, low carbon, 16–18 percent of chromium, and magnetic properties. The Company produces cold-rolled ferritic stainless-steel grades 409, 430, and 439, divided by surface into 4 types:

- Cold-Rolled Ferritic Stainless-Steel No. 1 (Matte Surface)
- Cold-Rolled Ferritic Stainless Steel 2D (Super Matte Surface)
- Cold-Rolled Ferritic Stainless Steel 2B (Shiny Surface)
- Cold-Rolled Ferritic Stainless-Steel BA (Shiny and Glossy Surface)

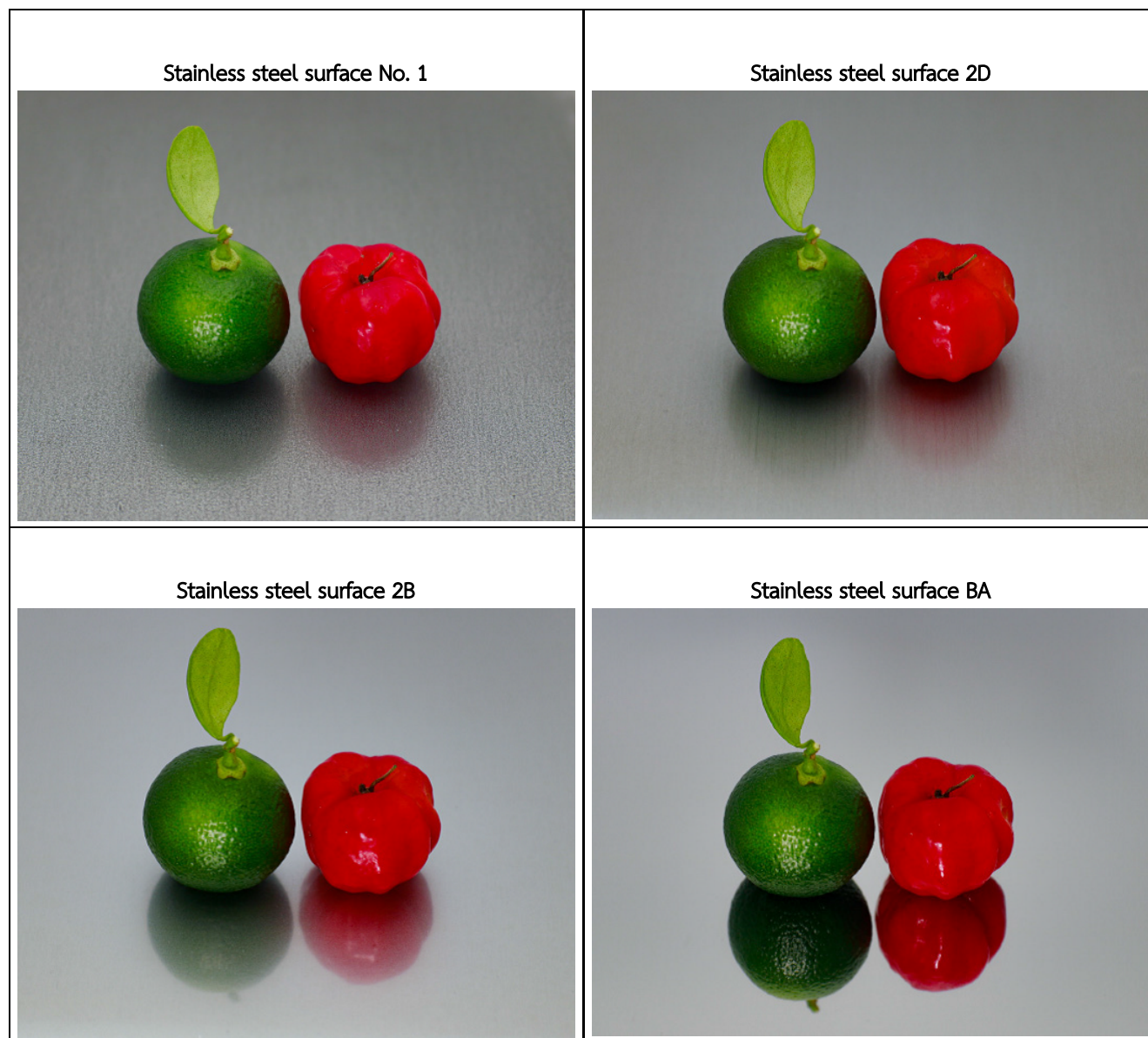
The Company produced cold-rolled ferritic stainless steels, accounting for approximately 39 percent of total cold-rolled stainless steels produced in 2024.

The main feature that differentiates cold-rolled austenitic stainless steel from cold-rolled ferritic stainless steel is that cold-rolled austenitic stainless steel is able to stretch better. This results in better forming properties than ferritic cold-rolled stainless steel. Therefore, it is suitable for manufacturing equipment requiring high cold-forming properties,

such as cutlery, kitchen utensils, cooking utensils, sinks, pipes, etc. In addition, cold-rolled austenitic stainless steel has better corrosion resistance than cold-rolled ferritic stainless steel. At the same time, cold-rolled ferritic stainless steel is used in applications where deep drawing is not required and where high corrosion resistance is not required.

In addition to the features that are different, austenitic stainless steel is more expensive and volatile than cold-rolled ferritic stainless steel because austenitic stainless steel also contains nickel, which is expensive and its price volatility is quite high. The following figure shows examples of the Company's products in various forms.

**Surface Characteristics of Different Stainless-Steel Types**



Research and development policy in various areas, and details regarding innovation development in processes, products and/or services, or business models.

Research and development (R&D) policy : No

## R&D expenses in the past 3 years

	2023	2024	2025
Research and development (R&D) expenses over the past 3 years (Million Baht)	0.00	0.00	0.00

## Additional explanation about R&D expenses in the past 3 years

### Research and Development

The Company has received various technological supports by receiving the knowledge and expertise in production from major shareholder, POSCO (Korea), which is the world's top steel manufacturer, from the experiences of the global manufacturer. Therefore, executives and employees of the Company are very confident in producing quality cold-rolled stainless steel according to the needs of a wider variety of customers.

The Company's executives have realized the importance of product quality with production control departments as follows:

#### A. Production Process Control Department

The production process control department is the department responsible for studying, improving, and developing production processes to make the production process most efficient at a low cost. Its duties are to design, monitor, and control the production process to meet the requirements of standard conditions, including analyzing and providing feedback to the factory department in order to obtain stable quality products that meet the standards and needs of customers.

#### B. Product Quality Assurance Department

The product quality assurance department is responsible for inspecting and controlling the raw materials quality of products in the production process and finished products of the Company in order to ensure that the Company's products meet the requirements of customers. In addition, the product quality assurance department also sets standards for imported hot-rolled stainless steel. It also serves to claim damages in the event that the raw materials do not meet the requirements.

#### C. Technical Research & Development Center

The research and development center are the department that focuses on research and development of the quality of the Company's products. The research and development aim to study various processes to solve the problems of product manufacturing, customer return issues, wastewater quality problem, and raw material quality. It supports research and develops the production process, including the development of new-grade products by simulating and testing in the production process together with the production control department. This is to increase efficiency and reduce production costs. It is also responsible for promoting and planning the development of the use of stainless steel in various forms to increase both in current and new markets continuously by providing technical training to customers and helping customers solve various application problems.

#### D. Technical Customer Service

In addition, the Company also has a technical service department for customers which is responsible for setting standards for the Company's products, giving suggestions, providing technical advice to customers, encouraging customers to use the product worthwhile, leading to maximum satisfaction in products and services, investigating customer complaints to analyze and diagnose the damage caused to the customers quickly and fairly, acknowledging the needs of the customer, summarizing assessment, and giving suggestions to relevant departments in order to develop product quality to meet the needs of customers.

In addition to the above tasks, the research and development center has studied the quality of the products of the Company and other manufacturers to improve the quality of the Company's products. It mostly focuses on in-depth

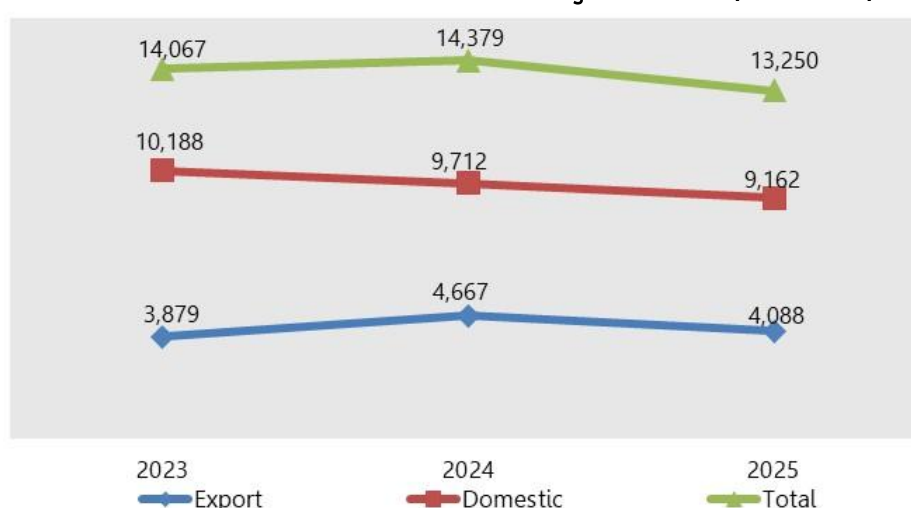
studies with the factory and customers. This includes testing laboratories that test product properties to meet standards and/or meet customer needs under the management of testing laboratories for testing quality assurance and test results to be in accordance with the standard of ISO/IEC 17025:2005.

In addition to study and research, the Company itself also has research collaboration with universities and well-known educational institutions both domestically and internationally. The Company supports the research of cold-rolled stainless products for many projects. In addition, the Company has also supported students and researchers in metallurgy and focused on coordinating and collaborating more with the research center of POSCO (Korea) to pass on knowledge and production standards so that the customers of the Company continuously receive the best products.

### 1.2.2.2 Marketing policies of the major products or services during the preceding year

The Company produces and distributes various grades of cold-rolled stainless steels in the form of coils, sheets, and strips, with cold-rolled stainless steel distributed both domestically and internationally. As for the domestic market, since the Company is the only cold-rolled stainless-steel producer in Thailand, it has the advantage of being able to deliver products quickly and on time compared to cold-rolled stainless-steel importers from foreign countries. As a result, the cost of the customer's inventory is reduced and the customer's risk from fluctuations in raw material prices on the world market is reduced compared to imports from other manufacturers outside the country, as well as the customer not having to bear the risk of exchange rates. The Company also has a policy to increase the proportion of cold-rolled stainless-steel sales in the country and to develop new grades of stainless steel to always meet the needs of consumers and reduce costs for manufacturers who use stainless steels as a raw material. The Company has continuously improved its production processes and customer service.

**Domestic and International Sales Volume during 2023 – 2025 (Million Baht)**



The Company's cold-rolled stainless steel production technology is one of the factors that the Company pays great attention to because it can help reduce production costs, increase work efficiency, and maintain a high level of product quality. The general steel production technology has a service life of more than 20 years. The production technology of the Company is extremely advanced compared to the production technology of foreign competitors, and the Company receives constant technical and skill support from POSCO (South Korea), which is the main shareholder of the Company at present.

The Company produces most of its products according to customer orders. It usually takes 10 to 15 days for each order to be manufactured, depending on the product types, sizes, and production schedule of the Company. However, in the production, the quality assurance department must inspect the product quality at each stage of production according to the Quality Control Plan by the international standard ISO 9001: 2008. The Company has a policy of accepting orders from customers and delivering the products to the customers within approximately 30 – 45 days, depending on raw materials, product types, and transportation distance.

At present, most of the Company's customers use the Company's products as raw materials for their products. Most customers of the Company are manufacturers of household equipment and appliances, manufacturers of pipes,

manufacturers of industrial equipment and supplies, manufacturers of various construction equipment and materials, manufacturers of car exhaust pipes and equipment, etc. Apart from selling directly to users, the Company also sells to distributors (stockists) and service centers which will take the Company's products to add other values, such as modifying the size of the product or polishing it into various surfaces, for further distribution to users of cold-rolled stainless steels. This type of customer will serve their customers well.

The Company has 4 main distribution channels for cold-rolled stainless steel:

1. Direct Distribution to Domestic Customers

The Company distributes directly to domestic customers by having a sales and marketing team distributes products directly to entrepreneurs who have large businesses and large purchases of the Company's products. At present, the Company's main customers are manufacturers of stainless-steel kitchenware, stainless steel water tanks, stainless steel pipes, and automotive parts companies that use stainless steels as components, as well as customers who use stainless steels in the production of machinery, equipment in industrial plants, etc.

2. Distribution Through Local Distributors

At present, the Company has domestic distributors. These distributors are companies that have long-standing customer relationships and trade other metals in addition to the Company's products. In addition, these dealers normally have various major service centers that are affiliated entrepreneurs as well.

3. Direct Distribution to Overseas Customers

In many countries where customers have high purchasing power and can pay directly to the Company, the Company itself has developed business together with customers by having an export sales team to sell and expand markets for distribution directly to overseas customers to increase competitiveness and reduce sales costs.

4. Distribution Through POSCP Group's Overseas Network (South Korea)

The Company also uses the network of POSCO Group (South Korea), which is a major shareholder, to seek markets and provide additional sales services.

## The industry competition during the preceding year

### The Global Stainless Steel Industry in 2025

The stainless steel industry is expected to continue growing, with increasing demand across various sectors. However, manufacturers face challenges from fluctuating raw material prices and intense competition from new producers in different regions. The development of sustainable products and the adoption of advanced technologies will be key to maintaining competitiveness, helping to enhance production efficiency and reduce costs.

**Production Volume:** China continues to be the main producer, holding more than 50% of the global market share, while India and Indonesia are rapidly expanding their production capacity.

**Price:** The prices of cold-rolled stainless steel are highly volatile due to the costs of raw materials (nickel, chromium) and energy costs

**Trade tensions and protective measures:** The imposition of tariffs between countries that produce stainless steel, such as the United States and China, has led to an increase in stainless steel prices and reduced the competitiveness of producers in the countries that are subjected to the tariffs.

**In 2025, competition in Thailand's stainless steel industry is expected to intensify due to several factors, including domestic demand and pressure from international markets.**

## Overview of Competition

- **Increased Domestic Demand:** There is a growing demand, particularly from the construction and infrastructure sectors, providing opportunities for stainless steel manufacturers to expand their production capacity.

- **Pressure from Imports:** The influx of steel and stainless steel from China remains high due to competitive pricing and significant export volumes. This situation forces Thai manufacturers to adjust their pricing and quality strategies.
- **Expansion into International Markets:** There are efforts to increase exports to new markets such as ASEAN, the Middle East, and Africa to diversify risks from domestic market competition.

## Key Competitive Strategies for 2026

1. **Enhancing Product Value:** Focus on designing and producing stainless steel with special properties, such as high corrosion resistance, lightweight, or aesthetic appeal for decorative applications.
2. **Investing in Innovation and Digitalization:** Utilize ERP systems, AI for production analysis, and predictive maintenance to improve efficiency.
3. **Building Industry Collaborations:** Form alliances among manufacturers and distributor for joint marketing efforts.
4. **Emphasizing Sustainability:** Reduce energy consumption and waste to align with environmental standards and meet the demands of customers in the global market.

### 1.2.2.3 Procurement of products or services

#### General Information

The Company is the only cold-rolled stainless-steel manufacturer in Thailand. The products of other steel manufacturers in the country are carbon steel which is totally different from the Company's products in both the application markets and the target customer groups.

The modern production process allows the Company's cold-rolled stainless steel to have excellent corrosion resistance, a beautiful, smooth, and even surface as well as the same thickness throughout the sheet. The Company's cold-rolled stainless steel has many grades to select according to the demand and suitability of the customer's application. The Company provides technical assistance in order to select the products to meet the needs of customers as much as possible.

The Company's cold-rolled stainless steel is manufactured from selected raw materials with modern production technology. The Company's products have been certified for the production process by ISO 9001:2008 international standards. The cold-rolled stainless steel has been produced in accordance with international standards such as Japan Industrial Standards (JIS), American Society for Testing and Materials (ASTM), European Standards (EN), and Thai Industrial Standards (TIS).

The following table shows the Company's various grades of cold-rolled stainless steel as well as their details, applications, and properties.

#### General Properties and Applications of Products

Austenitic Products			Properties	Application
Grade	Surface Finish	Thickness		
301	2D,2B	0.3 – 3.0	High strength	Seat belts Coil springs
	BA	0.3 – 1.6		
304	2D,2B	0.3 – 3.0	Corrosion resistance, very good formability and weldability, and easy to clean	Home appliances Water tanks Construction Transportation
	BA	0.3 – 1.6		
304L	2D,2B	0.3 – 3.0	Very good corrosion resistance, sensitization resistance, and good weldability	Tubes Cavity containers Home appliances
	BA	0.3 – 1.6		
316	2D,2B	0.3 – 3.0	Excellent corrosion resistance, especially the pinholes, and strong at high temperatures when molybdenum added	Food production industry Boilers Heat exchangers
	BA	0.3 – 1.6		
316L	2D,2B	0.3 – 3.0	Low carbon, allowing it to be more resistant to intergranular corrosion than grade 316	Chemicals industry Large tanks Hot water tanks
	BA	0.3 – 1.6		
321	2D,2B	0.3 – 3.0	Titanium added, allowing it to be more resistant to intergranular corrosion	Heat exchangers
	BA	0.3 – 1.6		
304J1	2D,2B	0.3 – 3.0	Formability improved by adding copper	Used in works requiring deep formability
	BA	0.3 – 1.6		

### Production Procedures

The production process of the Company starts with bringing raw materials (hot-rolled stainless coils) to be cold-rolled, which the Company will import from overseas manufacturers. The hot-rolled stainless-steel coils are produced from stainless steel scraps which are fused with a mixture in an electric arc furnace. Then, it will go through a process that purifies liquid metal by vacuum. The purified metal will be continuously cast to obtain steel ingots. The aforementioned flat steel ingots will be hot-rolled to reduce the size into the steel coils. The Company will import hot-rolled stainless coils from manufacturers such as POSCO (South Korea), Nippon Steel, and Arcelor. All of the raw material suppliers to the Company are the world's largest manufacturers of hot-rolled stainless-steel coils, and POSCO (South Korea) and Nippon Steel are also shareholders of the Company.

The Company will bring hot-rolled stainless-steel coils pass through a heat treatment process and acid etching. Then, they will be rolled to reduce the size by the Sendzimir Cold-Rolling Mill and baked, acid etched, or through the process of bright annealing with a skin pass again to adjust the surface finishes to meet the needs of customers. The Company's cold-rolled stainless steel production process is as follows:

**a. Annealing Process and Removal of Oxides (Pickling)**

The ferritic hot-rolled stainless-steel coils are fed into the batch annealing furnace, where the temperature inside the machine is about 850 degrees Celsius, to anneal the hot-rolled stainless-steel coils to be soft and have a complete structure. After the hot-rolled stainless-steel coils have been put through the annealing process, there will be an oxidation reaction on the surface, which will be eliminated in the oxide process. The annealed hot-rolled stainless-steel coil will be passed through an oxide removal bath which contains a mixture of sulfuric acid, hydrofluoric acid, and nitric acid, respectively. For hot-rolled austenitic stainless-steel coils, it is not necessary to be put into a batch annealing furnace but can be brought directly into the process of annealing and pickling.

**b. Cold-Rolling Process**

Annealed and deoxidized steel will be passed through the Sendzimir Unit for size reduction. The Sendzimir Unit consists of 20 cylindrical rolling balls which force, compress, and roll the stainless steel to be thinner. The thickness of stainless steel will decrease after this process.

**c. Surface Finishes Adjusting and Smoothing Process (Skin Passing)**

As the smoothness of stainless steel after the 2<sup>nd</sup> annealing and de-oxide treatment is not suitable for use, the aforementioned stainless-steel sheets must be re-rolled through the surface treatment process to increase the smoothness and shine of the surface.

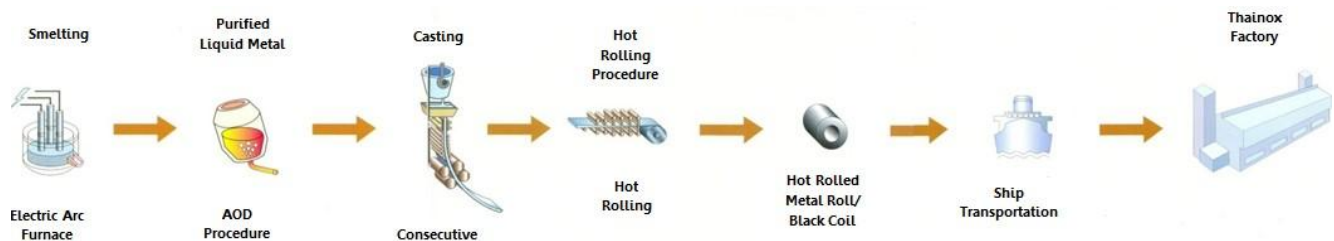
**d. Slitting and Cutting Process**

The final process of production is to unroll cold-rolled stainless steel to be cut into sheets according to the size required by the customer, which the finished product is called a cold-rolled stainless-steel sheet; or cut the stainless steel to the specified length and roll back, which the finished product is called a cold-rolled stainless-steel coil or a narrow cold-rolled stainless-steel coil, before delivering to the customers.

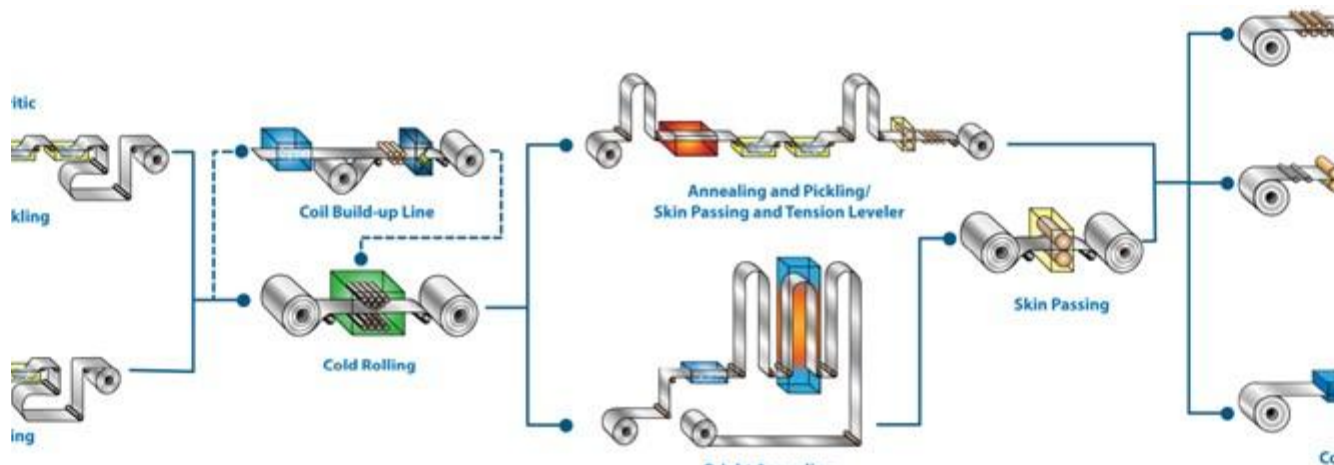
**Sendzimir Cold-Rolling Mill and Skin Pass Mill for Steels**



**Production Process of Hot-Rolled Stainless-Steel Coils or Black Coils**



**Stainless Steel Production Process of POSCO-Thainox Public Company Limited**



#### The company's production capacity

	Production capacity	Total utilization (Percent)
Stainless Steel Production (Ton)	300,000.00	62.00

The company's stainless steel production process has a total production capacity of 300,000 tons. The company has utilized 187,257 tons of this capacity, which accounts for 62% of the total production capacity.

#### Acquisition of raw materials or provision of service

The Company imports 100% of raw materials, which are hot-rolled stainless steels, from hot-rolled stainless-steel manufacturers that are the world's largest manufacturers, namely:

1. POSCO Group (South Korea), which is currently the Company's major shareholder. Most of the Company's purchases are from this group.
2. Other business groups such as Nippon Steel Stainless Steel Corporation (the Company's shareholder from Japan), and some from China and Indonesia

The price of the Company's raw materials (hot-rolled austenitic stainless steel) fluctuates according to the price of nickel which is a commodity product.

#### Proportion of domestic and overseas procurement

Countries	Name of raw material	Value (Baht)
South Korea	Hot Rolled Stainless Steel	1,261,203,425.00

#### 1.2.2.4 Assets used in business undertaking

##### Core permanent assets

##### Factory, Equipment, and Machinery

The Company's cold-rolled stainless-steel factory located in Rayong Industrial Park Industrial Estate, in the eastern coastal industrial area, about 180 kilometers to the southeast, with a total area of 130 rai (208,000 square meters), consists of modern machinery and equipment in technology. In addition, the Company has also installed a quality

testing system in every step of production thoroughly by engineers, technicians, and experts to ensure that the Company's products are of high quality and have won the credibility and trust of customers. The Company's products have quality according to international standards of JIS, AISI, and Euro norm. The laboratory is fully equipped with quality inspection equipment, both mechanical and computer inspection or structural analysis cameras to ensure and comply with the highest international standard quality control system. It allows the factory and the stainless-steel production process of the Company to be modern and has better performance than foreign stainless-steel manufacturers in many companies abroad. Our factory is also certified by various international standards related to important production.

The factory started manufacturing cold-rolled stainless steel in 1993, and currently has a production capacity approximately of 200,000 tons of cold-rolled stainless steel per year. In 2007, the Company invested in the installation of a 3rd cold-rolling machine (Sendzimir Line), and later installed additional batch annealing furnaces for a total of 3 furnaces to adjust the quality of stainless steel before going into the cold-rolling process which can support rolling up to 300,000 tons per year. The Company's factory is a cold-rolled stainless-steel factory that imports hot-rolled stainless-steel coils from abroad to be rolled and reduced the size to obtain the thickness and surface required by the customers.

Machinery and main equipment for the manufacturing of cold-rolled stainless steel of the Company are the modern and widely used equipment in all major cold-rolled stainless-steel manufacturers around the world which consists of the followings:

- Batch annealing furnace for ferritic grades
- Annealing and pickling line with a length of 280 meters for hot-rolled and cold-rolled stainless-steel coils
- Annealing and pickling for raw material with a length of 305 meters for hot-rolled stainless-steel coils
- Annealing furnace for a shiny surface finish, Sendzimir Cold-Rolling Mills (ZRM1 and ZRM2) with the speed rate of 600 and 800 meters per minute, respectively, and in 2008, Sendzimir Cold-Rolling Mill (ZRM3) with the speed rate of 800 meters per minute has been commissioned
- Skin pass mill to smooth the steel surface
- Skin pass mill No. 2 to smooth the steel surface
- Tension leveler to smooth the steel surface
- Grinding line to repair the surface
- Slitting line No. 2 for slit edges and wide sheets
- Cut-to-length line to cut into sheets
- Slitting line No. 1 for slit edges and narrow sheets

In addition, the Company has a cold-rolled stainless steel service center (AMATA), the 2<sup>nd</sup> stainless steel slitting factory that the Company has purchased from a company in Amata Nakorn Industrial Estate, Chonburi Province, with a total area of 9-3-65.9 rai to provide another channel for customer service for both the services of slitting and cutting cold-rolled stainless steel sheets for special needs with all types of grade, size, thickness, surface, and quantity required by the customers.

### **Core intangible assets**

#### **Passing on and Supporting of Technology from the World's Major Steel Manufacturers**

In the past, the Aperam Group (previously known as "Arcelor"), which is the group that co-founded the Company and is one of the world's largest manufacturers of steel and stainless steel, has been passing on and supporting modern and effective production technology to the Company all along. The Company, executives, and employees have been passed on the knowledge, technology, and expertise in the production and distribution of cold-rolled stainless steel from Arcelor Group for more than 10 years. This has resulted in the Company being capable of manufacturing high quality cold-rolled stainless steel with a variety in product forms and a low cost. At present, POSCO (Korea), one of the

world's largest steel manufacturers, has become a major shareholder in the Company and has the support of experts and new technologies to increase efficiency and make it even better one step further. It allows the Company to be more confident in the production process that is better because the Company will bring good experiences from two of the world's largest companies to support and develop the quality of work to reach the next highest point.

#### **Investment policy in the subsidiaries and associated companies**

Investment policy in the subsidiaries and associated : Yes  
companies

##### **NS-Thainox Auto Company Limited**

The Company has invested in the NS-Thainox Auto Company Limited for 49%, which is a joint venture with NS-SL Company Limited and Siam Lotus Company Limited. It was registered for establishment in Thailand on July 17, 2006 and was not listed on the Stock Exchange of Thailand. Its objective is to conduct business, market, sell, and distribute products made from the Company's stainless steel for use in the production of automotive and motorcycles in Thailand.

For the accounting period ending December 31, 2025, the Company recognized share of profit in the consolidated financial statements according to the equity method in the amount of 1.252 million baht and presented the change in the book value of investments in associated companies as of December 31, 2025 in the amount 59.747 million baht.

#### **1.2.2.5 Under-construction projects**

Under-construction projects : No

##### **Details of under-construction projects**

Total projects : N/A

Values of total ongoing projects : N/A

Realized value : N/A

Unrealized value of remaining projects : N/A

Additional details : -

## 1.3 Shareholding structure

### 1.3.1 Shareholding structure of the group of companies

#### Policy on operational organization within the group of companies

The Company has invested in the Company NS-Thainox Auto Company Limited (NS-Thainox Auto), which is a joint venture between the Company and NIPPON STEEL CORPORATION and Siam Lotus Company Limited (Siam Lotus). The objective of the business is to market, sell, and distribute stainless steel products of the Company for use in the automotive and motorcycle industries in Thailand, with the shareholding structure as follows:

The principles of appointing the board of directors of NS-Thailand Auto Co., Ltd. ("Joint Company") are as follows:

The Joint Company's board of directors shall be elected by a general meeting of shareholders.

The board of directors shall consist of 5 directors, with 2 directors appointed by a majority vote of Group A shareholders and 3 directors appointed by a majority vote of Group B shareholders.

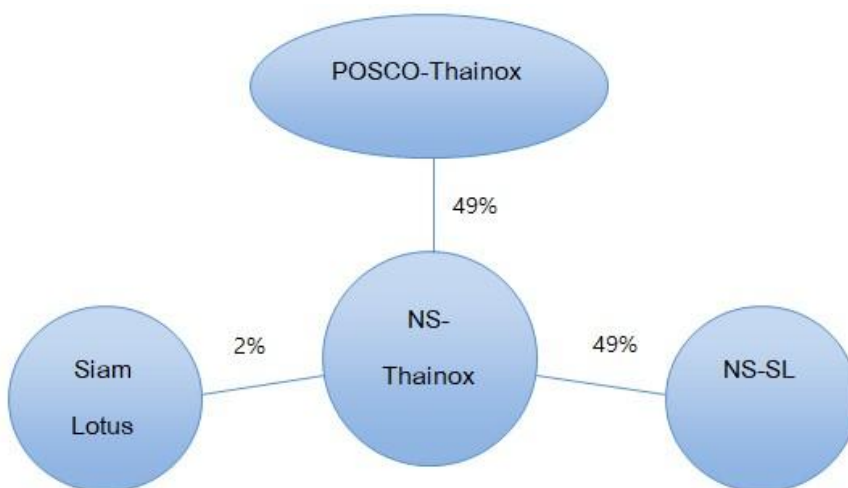
The board of directors shall select one director appointed by a majority vote of Group A shareholders to be the chairman and one director appointed by a majority vote of Group B shareholders to be the managing director.

The Joint Company, as a member of Group A shareholders, has nominated 2 persons to be directors, with 1 of the 2 nominated persons being the chairman of the board of directors, Mr. Seon Yeol Lee, and the other person being a director, Mr. Jaesung Yoon.

#### Shareholding diagram of the group of companies

Does your company have any shareholdings in other : Yes  
companies?

Shareholding diagram



#### Associated companies

Company name	Juristic person who holds shares of the company	Shareholding proportion (%)	Voting right proportion (%)
NS-Thainox Auto Company Limited	POSCO-THAINOX PUBLIC COMPANY LIMITED	49.00%	49.00%

#### Company that holds 10% or more of the total shares sold

Name and the location of the head office	Type of business	Type of shares	The number of shares	The number of shares sold
NS-Thainox Auto Company Limited 1 MD Tower 20th Floor, Bang Na-Trat 25 Alley, Bang Na-Trat Road Km.25, Bang Na Nuea, Bangkok 10260 Telephone : 02-744-0340 Facsimile number : -	Marketing and distribution of cold-rolled stainless steel products for use in the automotive industry, etc.	Common shares	489,996	489,996

#### 1.3.2 Shareholding by a person with a potential conflict of interest holding exceeding 10 percent of the voting shares in a subsidiary or associated company

Does the company have a person with potential conflicts : No  
of interest holding shares in a subsidiary or associated  
company?

#### 1.3.3 Relationship with major shareholders' business

Does the company have a relationship with a business : Yes  
group of a major shareholder?

The Company's major shareholder is POSCO (South Korea), which directly held shares in the business in 2011. POSCO (South Korea) is the parent Company of the POSCO Group, one of the largest multinational corporations in various steel products and a leader in the production and distribution of steel for over five decades by using advanced technology to produce the Company's products, including hot rolled steel coil, cold rolled steel coil, steel plate, rod wire, galvanized steel sheet, electronic steel, galvanized steel, high quality stainless steel, and titanium.

#### 1.3.4 Shareholders

#### List of major shareholders

Group/List of major shareholders	Number of shares (shares)	% of shares
1. POSCO Co.,Ltd	5,812,634,019	74.56
2. MR. CHALERMCHAI MAHAGITSIRI	789,570,000	10.13
3. MR. CHANINTR CHALISARAPONG	218,800,000	2.81
4. NIPPON STEEL CORPORATION	202,127,100	2.59
5. MRS. SURAT CHALISARAPONG	60,000,000	0.77
6. Mr. Suthee Lim-Atiboon	56,910,000	0.73
7. Thai NVDR Company Limited	44,428,411	0.57
8. MRS. SUVIMOL SATITYATHIWAT	28,500,000	0.37
9. MRS. SOMPORN SIRIPORNPITAK	28,299,700	0.36

#### Major shareholders' agreement

Does the company have major shareholders' agreements? : No

## 1.4 Amounts of registered capital and paid-up capital

### 1.4.1 Registered capital and paid-up capital

#### Registered capital and paid-up capital

Registered capital (Million Baht) : 7,795,709,100.00

Paid-up capital (Million Baht) : 7,795,709,100.00

Common shares (number of shares) : 7,795,709,100

Value of common shares (per share) (baht) : 1.00

#### Has the company listed in other stock exchange?

Has the company listed in other stock exchange? : No

### 1.4.2 Other types of share whose rights or terms differ from those of ordinary share

Other types of share whose rights or terms differ from : No

those of ordinary share

### 1.4.3 Shareholding by Thai NVDR Company Limited (NVDR)

Are shares held by Thai NVDR Company Limited (NVDR)? : Yes

Number of shares (Share) : 44,428,411

Calculated as a percentage (%) : 0.57

#### The impacts on the voting rights of the shareholders

The impact on the voting rights of shareholders due to mutual funds or NVDR issuers not exercising their voting rights in shareholder meetings can be explained in several aspects as follows:

1. **Reduction of Control Power:** When mutual funds or NVDR issuers do not exercise their voting rights, minority shareholders may feel that they have less control over the company, as important decisions may be determined by major shareholders or funds with voting rights.
2. **Decisions Not Reflecting Shareholder Interests:** If mutual funds or NVDRs do not participate in voting, the voting results may not reflect the opinions or desires of all shareholders, leading to decisions that may not align with the majority's preferences.
3. **Uncertainty for the Future:** Not exercising voting rights may create uncertainty about the company's future direction, which can affect investor confidence and stock prices.
4. **Lack of Participation:** The failure of mutual funds or NVDRs to exercise voting rights may lead shareholders to feel that they have no involvement in important company decisions, which can impact the relationship between shareholders and the company.
5. **Impact on Corporate Governance:** Not exercising voting rights can affect the corporate governance of the company, as participation in voting is one way shareholders can express their opinions and desires regarding the management of the company.

Overall, the failure of mutual funds or NVDR issuers to exercise their voting rights in shareholder meetings can impact fairness and transparency in corporate management, as well as long-term shareholder confidence.

## 1.5 Issuance of other securities

### 1.5.1 Convertible securities

Convertible securities : No

### 1.5.2 Debt securities

Debt securities : No

## 1.6 Dividend policy

### The dividend policy of the company

The Board of Directors may consider distributing dividends from the company's profits, subject to approval by the resolution of the shareholders' meeting. Additionally, the Board may declare interim dividends from time to time if it deems that the company has sufficient profits to do so. Prior to dividend distribution, the company must allocate at least 5% of its net profits as a legal reserve until the reserve reaches 10% of the registered capital. Furthermore, the Board may propose to the shareholders' meeting to allocate additional reserves as deemed appropriate for the company's operations.

The company has a dividend policy of paying no less than 50% of its net profit after tax, legal reserves, and other reserves as determined by the company. However, dividend payments are subject to investment plans, financial liquidity, necessity, and other factors affecting the company's operations.

### Historical dividend payment information

	2021	2022	2023	2024	2025
Net profit per share (baht : share)	0.1136	0.0264	-0.0094	0.0450	-0.0080
Dividend per share (baht : share) <sup>(1)</sup>	0.1070	0.0243	0.0000	0.0230	0.0000
Ratio of stock dividend payment (existing share : stock dividend)	0.0000 : 0.0000	0.0000 : 0.0000	0.0000 : 0.0000	0.0000 : 0.0000	0.0000 : 0.0000
Value of stock dividend per share (baht : share)	0.0000	0.0000	0.0000	0.0000	0.0000
Total dividend payment (baht : share)	0.0000	0.0000	0.0000	0.0000	0.0000
Dividend payout ratio compared to net profit (%)	94.56	94.60	0.00	51.33	0.00

Remark : <sup>(1)</sup> The board of directors No. 1/2026, held on February 2026, has resolved to propose to the 2026 Annual General Meeting of Shareholders that the payment of dividends be suspended due to the company's net loss for the accounting period from January 1, 2025 to December 31, 2025. Resolution on this agenda shall be passed by a majority vote of the shareholders attending the meeting and having the right to vote.

## 2. Risk management

### 2.1 Risk management policy and plan

#### Risk management policy and plan

The company recognizes the importance of risk management for efficient operation. The company operates with consideration for various risks, such as fluctuations in raw material prices, competition from imported products, and ESG regulations

## 2.2 Risk factors

### 2.2.1 Risk that might affect the company's business, including environmental, social and corporate governance issues

#### Risk 1 Risk from Price Volatility of Products and Raw Materials

Related risk topics : Strategic Risk

- Volatility in the industry in which the company operates
- Economic risk

#### Risk characteristics

The company has been purchasing hot-rolled stainless steel coils (which are raw materials for producing cold-rolled stainless steel) entirely from abroad. The company needs to order raw materials in advance, approximately 2-4 months, depending on the shipping distance from the supplier to the company's main factory in Rayong Province. This may expose the company to risks, as purchasing raw materials at high prices may not allow the company to sell its products at higher prices.

The company faces risks due to fluctuations in raw material prices, which may adjust according to market prices, especially in grades that contain nickel, which can experience significant volatility. However, currently, there is a trend in the market towards using grades with little to no nickel content. Additionally, the speculation in the nickel metal market has decreased in intensity due to adjustments in supply and demand, leading to a reduction in the volatility of raw material prices.

#### Risk-related consequences

Typically, the selling prices of the company's products will change in accordance with the purchase prices of raw materials. Therefore, the company may face risks if the selling prices of its products cannot be adjusted to align with the purchase prices of raw materials. This could impact the price margin (metal margin) and the company's profit margins.

#### Risk management measures

The company has been closely monitoring the price movements of products and raw materials in the market, as well as following various in-depth analysis reports to manage risks in this area.

Additionally, the company has sufficient liquidity to better absorb the impacts of risks associated with product and raw material prices.

#### Risk 2 Risk of Relying on the Procurement of Raw Materials

Related risk topics : Strategic Risk

- Volatility in the industry in which the company operates
- Policies or international agreements related to business operations
- Business operations of partners in the supply chain
- Reliance on large partners / distributors or few partners / distributors
- Economic risk
- Corporate ownership structure risk

Operational Risk

- Shortage or fluctuation in pricing of raw materials or productive resources
- Climate change and disasters

Financial Risk

- Income volatility

#### **Risk characteristics**

Since the company's main raw material is hot-rolled stainless steel coils, which are not produced domestically, the company must import them entirely from abroad. This situation poses a risk in the event that foreign suppliers are unable to deliver the raw materials in a timely manner to meet demand.

#### **Risk-related consequences**

The shortage of raw materials affects production targets and may lead to delays in delivering products to customers.

#### **Risk management measures**

However, in 2011, POSCO (South Korea) became a major shareholder in the company, which has reduced the risks associated with sourcing raw materials. Additionally, the company maintains good relationships and procures raw materials from Nippon Steel Group in Japan (another group of shareholders) and partially from other countries to further diversify risks.

### **Risk 3 Risk of Increasing Cold-rolled Stainless-Steel Production in the World Market**

Related risk topics : Strategic Risk

- Volatility in the industry in which the company operates

#### **Risk characteristics**

The excess supply of steel in China remains significant. It is expected that China will continue to maintain its price advantage due to economies of scale, as it has access to iron ore that allows for the production of high-quality steel.

However, in the past, China has not invested in advanced technology in its factories, resulting in steel of relatively lower quality.

### **Risk-related consequences**

A large oversupply has created a strong push for exports to other countries and resulted in intense competition in the market outside of China as well.

### **Risk management measures**

To prevent dumping from overseas stainless manufacturers, the Company has participated by filing a complaint with the Dumping and Subsidy Committee, Department of Foreign Trade in consideration of anti-dumping measures for cold-rolled stainless-steel products from Japan, South Korea, Taiwan, and China to prevent and counter competition in domestic trade and the Ministry of Commerce has announced measures to counter the importation market of stainless-steel products from China.

### **Risk 4 Risk of Setting a Price Ceiling on Cold-rolled Stainless Steel**

Related risk topics : Strategic Risk

- Government policy

Compliance Risk

- Change in laws and regulations

### **Risk characteristics**

The Central Committee on the Price of Goods and Services operates under the Trade Controls on Goods and Services Act, B.E. 2542 (1999). It has the authority to control, monitor, and resolve pricing issues for goods and services essential to daily living, including the authority to set maximum selling prices, control profit margins, and designate products as "controlled goods."

Construction steel and Steel sheet products are categorized under construction materials and fall under the Committee's jurisdiction to set selling prices via annual announcements.

### **Risk-related consequences**

Government-mandated price ceilings for cold-rolled stainless steel represent a significant risk, as they directly impact profitability if the ceiling is set at a level inconsistent with actual production costs such as raw materials (Nickel, Chromium), energy, labor, and other overheads. This could lead to losses or diminished margins. Furthermore, price ceilings create uncertainty regarding returns, affecting production planning, investment, and R&D.

### **Risk management measures**

The Company mitigates this risk through efficient cost management and close monitoring of raw material and market price trends. Although cold-rolled stainless steel sheets are not currently listed as controlled goods by the Department of Internal Trade (DIT), the Company maintains transparent communication and coordinates data submission to the DIT to ensure fair and appropriate pricing.

### **Risk 5 Risk from international trade measures**

Related risk topics : Strategic Risk

- Government policy
- Policies or international agreements related to business operations

Compliance Risk

- Change in laws and regulations

#### **Risk characteristics**

International trade measures such as import duties, Anti-Dumping (AD), Countervailing Duties (CVD), Safeguards, and Anti-Circumvention measures can significantly impact the Company's exports.

#### **Risk-related consequences**

These measures may increase costs, reducing competitiveness, or limiting volumes.

#### **Risk management measures**

The Company closely monitors trade measures concerning cold-rolled stainless steel sheets that may impact international imports and exports to assess potential direct and indirect consequences. To mitigate risk, the Company strives to diversify its export markets and reduce dependency on any single market. Furthermore, we continuously adapt and develop our production processes and products to comply with the regulations and standards of trading partners.

### **Risk 6 Risk of Trade Measures and Foreign Environment**

Related risk topics : Strategic Risk

- Government policy
- ESG risk

Operational Risk

- Impact on the environment

Compliance Risk

- Change in laws and regulations

#### **Risk characteristics**

Currently, trade measures are becoming more complex, notably with carbon emission charges such as the European Union's Carbon Border Adjustment Mechanism (CBAM).

#### **Risk-related consequences**

Regarding domestic developments, Thailand is currently drafting the Climate Change Act. This act will serve as the primary framework for climate change management, encompassing several related laws and regulations to fulfill the commitments of the Paris Agreement ratified by the government. This includes the establishment of carbon pricing systems and the promotion of green investment within Thailand.

#### **Risk management measures**

The Company has already begun preparing Embedded Emissions reports for products exported to the EU to facilitate carbon price payments. The company closely monitors these measures, as the trend in international trade shows that many countries are in the process of enacting environmental regulations and implementing taxes on greenhouse gas emissions. For example, the European Union's Carbon Border Adjustment Mechanism (CBAM) and product standards in countries like Japan and India are becoming more prevalent.

## **Risk 7 Risk of Opening of Free Trade Area**

Related risk topics : Strategic Risk

- Government policy
- Policies or international agreements related to business operations
- Competition risk
- Economic risk

Compliance Risk

- Change in laws and regulations

### **Risk characteristics**

The establishment of Free Trade Agreements may lead to intensified competition from foreign manufacturers who benefit from lower production costs or technological advantages. The reduction of import duties under these agreements can result in cheaper foreign goods, which may adversely affect the Company's market share.

### **Risk-related consequences**

Successive governments have shown a trend toward initiating new trade agreements, both bilateral and multilateral, as well as updating existing ones (of which there are currently 14). Beyond expanding into new markets, these agreements serve as a strategy to ease tensions arising from protectionist policies fueled by global geopolitical shifts and rivalries between major powers.

Key frameworks currently under negotiation or consideration by Thailand include:

- Bilateral Frameworks: Thai-EU, Thai-UK, Thai-Sri Lanka, and Thai-Turkey, among others.
- Multilateral Frameworks: Thai-European Free Trade Association (Thai-EFTA), etc.

### **Risk management measures**

To mitigate these risks, the Company prioritizes the continuous development and quality control of its products to create differentiation and enhance competitiveness. We are committed to offering high-quality products that meet evolving customer needs. Furthermore, the Company focuses on improving production efficiency to reduce costs and maintain competitive pricing, while fostering strong customer relationships to retain our existing base and expand into new markets.

## **Risk 8 Risk of the Changes of Exchange Rate**

Related risk topics : Strategic Risk

- Volatility in the industry in which the company operates

- Policies or international agreements related to business operations

- Economic risk

Operational Risk

- Delays in the development of future projects

Financial Risk

- Fluctuation in exchange rates, interest rates, or the inflation rate

- Income volatility

### **Risk characteristics**

The Company imports all hot-rolled stainless-steel coils from abroad. The purchase price of raw materials will be determined in Thai baht in the case of purchasing from POSCO (Korea) and in another currency if purchase from Japan or other sources. While the selling price of cold-rolled stainless steel for both domestic and foreign products is determined by referring to the world market price in foreign currency. The risk of the impact of exchange rate volatility on such issues is therefore limited.

### **Risk-related consequences**

Even POSCO (Korea) distributes the raw materials in Thai Baht currency, if it is deemed to be at high risk, this agreement may be terminated at any time. In addition, the usual periods of payment and receipt of money for the purchase of raw materials and the sale of products of the Company are not the same periods. Therefore, the changes in the exchange rate during that period may cause the cost of raw materials to be inconsistent with the selling price of the products.

## **Risk 9 Risk of Having a Group of Major Shareholders**

Related risk topics : Strategic Risk

- Corporate ownership structure risk

### **Risk characteristics**

At present, POSCO (Korea) holds approximately 74.56 percent (as of February 27, 2026) of the Company's paid-up capital.

### **Risk-related consequences**

As a result, POSCO (Korea) can control most of the resolutions of the shareholders' meeting, whether it is the appointment of directors or seeking resolutions on other matters that require a majority of the votes of the shareholders' meeting. However, the executives all have the same objective which is to manage business for the benefit of all shareholders, both major and minor by generating the highest profit from the business in order to pay stable dividends to all shareholders, both in the short term and in the long term.

## Risk 10 Risks from trade wars

Related risk topics : Strategic Risk

- Competition risk

### Risk characteristics

Trade wars, particularly the geopolitical conflict between the **USA and China**, significantly impact the global economy. These conflicts involve retaliatory tariffs on various goods, including iron and stainless steel.

### Risk-related consequences

Measures such as **U.S. Section 232** and **EU Steel Safeguards** and the recent US “Reciprocal Tariff” may reduce the Company’s competitiveness and the traditional export market.

## 2.2.2 Risk to securities holders

Are there any risk factors affecting securities holders? : No

## 2.2.3 Risk to securities holders from investing in foreign securities (applicable to only foreign companies)

Are there any risk factors affecting securities holders from : No

investing in foreign securities?

### 3. Business sustainability development

#### 3.1 Policy and goals of sustainable management

##### Sustainability Policy

Sustainability Policy : Yes

A Sustainability Policy is a framework or guideline established by a company to promote operations that are responsible towards society, the environment, and the economy, with the goal of creating long-term sustainability. This policy typically includes principles and measures related to:

1. Environmental Conservation: Reducing the use of natural resources, decreasing greenhouse gas emissions, and effectively managing waste.
2. Social Responsibility: Supporting communities, creating educational opportunities, and promoting diversity and equality in the workplace.
3. Economic Development: Creating added value for the business while considering the impacts on society and the environment.
4. Compliance with Laws and Standards: Adhering to laws related to the environment and society, as well as international standards.

Reference link for sustainability policy : <http://www.poscothainox.com/about-sustainability.php>

Page number of the reference link : 1

##### Sustainability management goals

Does the company set sustainability management goals : No

The company is considering about this matter.

##### Review of policy and/or goals of sustainable management over the past year

Has the company reviewed the policy and/or goals of : Yes

sustainable management over the past year

Has the company changed and developed the policy and/ : Yes

or goals of sustainable management over the past year

In the past year, the company has made changes and developments regarding its sustainability management policies and/or goals as follows:

1. **Promotion of Social Responsibility:** The company has increased community support programs and skill development initiatives for employees and the surrounding community to create a positive impact on society.
2. **Employee Training and Engagement:** The company has organized sustainability training for employees to raise awareness and encourage participation in sustainable operations.

## 3.2 Management of impacts on stakeholders in the business value chain

### 3.2.1 Business value chain

The business value chain of a stainless steel manufacturing company begins with sourcing high-quality raw materials that consider sustainability and environmental responsibility. This is followed by the production process to create high-quality stainless steel products that meet industry standards, with quality control implemented at every stage to ensure that the exported products are safe and of high quality. Additionally, an efficient distribution network is established to ensure that products reach customers quickly and on time, along with excellent after-sales service, such as providing consultations and technical support to enhance customer satisfaction. The company is also committed to building strong relationships with partners and customers through transparent communication and active listening to feedback. Furthermore, it focuses on sustainable business development to minimize environmental impact and support community activities. All of these efforts contribute to building trust and credibility with customers and the community.

### 3.2.2 Analysis of stakeholders in the business value chain

#### Details of stakeholder analysis in the business value chain

Group of stakeholders	Stakeholders' expectations	Responses to stakeholder expectations	Channels for engagement and communication
<b>Internal stakeholders</b>			
<ul style="list-style-type: none"> <li>• Employees</li> </ul>	<ul style="list-style-type: none"> <li>-Returns, benefits, and career advancement.</li> <li>-A safe working environment and safety equipment.</li> <li>-Development of skills necessary for future work.</li> <li>-Equality and non-discrimination.</li> </ul>	<ul style="list-style-type: none"> <li>-Open Communication: Establish clear and open communication channels between management and employees to make them feel that their opinions and suggestions are valued.</li> <li>-Skill Development and Training: Provide ongoing training and skill development opportunities so that employees can grow in their careers and improve their work capabilities.</li> <li>-Fair Compensation: Implement a fair and competitive compensation system, including good benefits such as health insurance, bonuses, and vacation</li> </ul>	<ul style="list-style-type: none"> <li>• Internal Meeting</li> <li>• Complaint Reception</li> <li>• Employee Engagement Survey</li> <li>• Satisfaction Survey</li> <li>• Training / Seminar</li> </ul>

Group of stakeholders	Stakeholders' expectations	Responses to stakeholder expectations	Channels for engagement and communication
		<p>days.</p> <p>-Creating a Positive Work Environment: Foster a safe and supportive work environment that encourages teamwork and promotes a positive organizational culture.</p> <p>-Opportunities for Growth: Offer employees opportunities for promotion and self-development within the organization, so they feel they have a future at work.</p> <p>-Listening and Responding to Feedback: Listen to employee feedback and suggestions, and take action to improve based on that feedback.</p> <p>-Building a Positive Organizational Culture: Promote an organizational culture that values diversity, inclusion, and mutual respect.</p>	
<b>Internal stakeholders</b>			
<ul style="list-style-type: none"> <li>• Customers</li> </ul>	<p>-Product Quality: Ensure that stainless steel products are of high quality and meet the standards expected by customers.</p>	<p>- Listening to Customer Feedback: Listen to and incorporate customer feedback to improve products and services.</p>	<ul style="list-style-type: none"> <li>• Visit</li> <li>• Online Communication</li> <li>• Internal Meeting</li> <li>• External Meeting</li> <li>• Complaint Reception</li> <li>• Satisfaction Survey</li> </ul>

Group of stakeholders	Stakeholders' expectations	Responses to stakeholder expectations	Channels for engagement and communication
	<p>-Customer Service: Provide professional customer service, responding to customer inquiries and concerns quickly and effectively.</p> <p>-Timely Delivery: Guarantee that product deliveries are made on schedule to avoid keeping customers waiting.</p> <p>-Flexibility in Ordering: Offer a variety of options for ordering, such as sizes, shapes, and quantities, to meet customer needs.</p> <p>-Clear Communication: Provide clear information about products, pricing, and sales conditions to make it easier for customers to make decisions.</p> <p>- Warranty and After-Sales Service: Offer product warranties and good after-sales service to build customer confidence.</p>	<p>- Development of New Products: Develop new products that respond to market needs and trends.</p> <p>- Building Good Relationships: Build strong relationships with customers to foster trust and loyalty.</p>	
<b>External stakeholders</b>			

Group of stakeholders	Stakeholders' expectations	Responses to stakeholder expectations	Channels for engagement and communication
<ul style="list-style-type: none"> <li>• Suppliers</li> <li>• Raw material distributors</li> <li>• Contractors</li> </ul>	<p>-Fair Pricing and Terms: It is expected that the prices will be fair and that there will be transparency in the terms of sale.</p> <p>- Having a Policy for Personal Data Protection: There should be a policy in place to protect personal data in accordance with relevant laws.</p>	<p>-Personal Data Protection: There should be a policy in place to protect personal data in accordance with relevant laws to instill confidence in partners.</p> <p>-Building Good Relationships: Create and maintain strong relationships with partners to foster trust and long-term loyalty.</p> <p>-Transparent Communication: Provide clear and transparent information regarding pricing, order status, and terms of sale.</p> <p>-Offering Fair Pricing: Set prices that are fair and competitive to ensure partner satisfaction.</p>	<ul style="list-style-type: none"> <li>• Visit</li> <li>• Online Communication</li> <li>• Internal Meeting</li> <li>• External Meeting</li> <li>• Complaint Reception</li> <li>• Satisfaction Survey</li> </ul>
<b>External stakeholders</b>			
<ul style="list-style-type: none"> <li>• Shareholders</li> </ul>	<p>-Return on Investment: Shareholders expect to receive good returns on their investments in the form of dividends or an increase in stock value.</p> <p>-Company Growth: They expect the company to experience continuous growth in both revenue and profit.</p> <p>-Effective Management:</p>	-	<ul style="list-style-type: none"> <li>• Visit</li> <li>• Press Release</li> <li>• Online Communication</li> <li>• Annual General Meeting (AGM)</li> <li>• Complaint Reception</li> </ul>

Group of stakeholders	Stakeholders' expectations	Responses to stakeholder expectations	Channels for engagement and communication
	<p>Shareholders expect the management to be capable of running the company efficiently and transparently.</p> <p>-Clear Communication: They expect the company to provide clear and transparent information regarding its financial status and strategies.</p> <p>-Risk Management: Shareholders expect the company to have good risk management practices to protect their interests.</p> <p>-Compliance with Laws and Ethics: They expect the company to comply with laws and to conduct business ethically.</p> <p>-Value Creation: Shareholders expect the company to create added value through new product development, market expansion, or process improvements.</p> <p>Participation in Decision-Making: They expect to have opportunities to participate in important decisions of the company, such as</p>		

Group of stakeholders	Stakeholders' expectations	Responses to stakeholder expectations	Channels for engagement and communication
	electing the board of directors or approving strategic plans.		
<b>External stakeholders</b>			
<ul style="list-style-type: none"> <li>• Community</li> <li>• Society</li> </ul>	<p>-Compliance with Environmental Standards: The community expects the company to operate in an environmentally friendly manner and to comply with environmental laws and standards.</p> <p>-Support for Community Activities: The community expects the company to participate in supporting various activities and projects within the community, such as education, public health, or infrastructure development.</p> <p>-Transparency in Operations: The community expects the company to communicate clearly and transparently about its operations and any potential impacts.</p> <p>-Building Good Relationships: The community expects the company to create and maintain good relationships by listening to feedback and</p>	-	<ul style="list-style-type: none"> <li>• Visit</li> <li>• Press Release</li> <li>• Social Event</li> <li>• External Meeting</li> <li>• Complaint Reception</li> <li>• Satisfaction Survey</li> </ul>

Group of stakeholders	Stakeholders' expectations	Responses to stakeholder expectations	Channels for engagement and communication
	<p>suggestions from the community.</p> <p>-Social Responsibility: The community expects the company to be socially responsible by conducting business ethically and considering the social impacts of its operations.</p>		

### 3.3 Management of environmental sustainability

#### 3.3.1 Environmental policy and guidelines

##### Environmental policy and guidelines

Environmental policy and guidelines : Yes

Environmental guidelines : Electricity management,  
Fuel management,  
Renewable/clean energy management,  
Water resources and water quality management,  
Waste management,  
Biodiversity management,  
Greenhouse gas and climate change management,  
Air quality management,  
Noise pollution management,

The environmental management approach of POSCO-ThainoxPublic Company Limited aims for a Net Zero target by 2050, in line with the POSCO Group's policy, adhering to ESG principles and the Circular Economy. The main strategies include reducing greenhouse gas emissions (Decarbonization), increasing green spaces and restoring ecosystems (Nature Positive), and maximizing resource efficiency throughout the supply chain.

##### Key Approaches to Environmental Management

1. Climate Change and Energy (Net Zero 2050)
  - Reduce fossil fuel usage and increase clean energy sources (solar energy).
  - Improve production processes to reduce energy consumption.
2. Circular Economy
  - Reduce industrial waste disposal by recycling and reusing materials.
  - Increase the proportion of recycled raw materials in the production process (e.g., reusing stainless steel scraps).
  - Recycle packaging materials for reuse.
3. Water and Nature Management (Nature Positive)
  - Reduce external water usage by 5% by 2030.
  - Restore land integrity through activities such as reforestation and increasing green spaces.
4. Supply Chain Management
  - Promote business partners to transition towards a green industry.
5. Pollution Control
  - Control air quality, reduce emissions, and manage air pollution using advanced technologies. The company adheres to international standards such as ISO 14001 and participates in environmental audits within the POSCO Group.

##### Review of environmental policies, guidelines, and/or goals over the past year

Review of environmental policies, guidelines, and/or goals : Yes

over the past year

Changes in environmental policies, guidelines, and/or goals : Electricity management,  
Fuel management,  
Renewable/clean energy management,  
Water resources and water quality management,  
Waste management,  
Air quality management,

The company focuses on efficient resource management by setting goals for waste reuse. In the past year, the company achieved a 99% target, including the management of various waste within the organization.

#### 1. Energy Management Operations

The company has implemented a project to install Variable Speed Drives (VSD) to control motor speed in the production process. Improvements in production processes include reducing the use of natural gas in specific stainless steel ovens to decrease energy consumption.

#### 2. Circular Economy Operations

The company continuously reuses waste materials in the production process, such as recycling oil-contaminated paper in manufacturing to support circular economy initiatives. The company has been selected by the Ministry of Industry for the Outstanding Industry Award 2025 in the circular economy category.

#### 3. Water and Nature Management (Nature Positive)

The company continuously reuses treated water in the production process to reduce external water usage and collects rainwater for production. It also engages in land restoration activities, such as increasing green spaces both inside and outside the factory.

#### 4. Supply Chain Management

The company promotes environmental management and ESG practices among partners and businesses to transition towards a green industry and effective environmental management.

#### 5. Pollution Control

The company conducts environmental monitoring by tracking compliance with environmental impact assessment measures for the expansion project of the cold-rolled stainless steel plant, Phase 3 (2nd time) of POSCO-Thainox Public Company Limited, during the operational period from July to December 2025. This includes monitoring various measures such as air quality, general noise levels, water quality, occupational health and safety, waste management, and socio-economic conditions and public opinions.

### 3.3.2 Environmental operating results

#### Information on energy management

##### Energy management plan

The company's energy management plan : Yes

##### Electric Power Management

- Efficient use of resources and energy to control energy loss in the production process.

##### Oil and Fuel Management

- Optimize the use of oil and fuel with the best available technology at the time.

##### Renewable Energy/Clean Energy Management

- Increase the use of renewable energy sources, such as solar energy.

##### Setting goals for managing electricity and/or oil and fuel

Does the company set goals for electricity and/or fuel : Yes

management

### Details of setting goals for electricity and/or fuel management

Target(s)	Base year(s)	Target year(s)
Reduction of electricity purchased for consumption	2024 : purchased electricity for consumption 102,664,621.00 Kilowatt-hour	2025 : Reduced by 1.18% or 101,454,089.00 Kilowatt-hour
Reduction of fuel consumption	2024 : fuel consumption 312,289,683.00 kBTU	2025 : Reduced by 3.7% or 300,620,043.00 kBTU

### Performance and outcomes of energy management

Performance and outcomes of energy management : Yes

The project aims to implement activities to reduce electricity consumption from cooling fan motors in 2025. The company can reduce electricity purchases by 1.18% or 101,454,089.00 kilowatt-hours.

#### Energy management: Fuel consumption

	2023	2024	2025
Diesel (Litres)	196,906.00	235,813.00	248,618.00
Natural gas (Standard cubic feet)	413,999,250.00	375,562,605.90	539,726,659.40
LPG (Kilograms)	7,585,180.00	8,746,789.00	9,878,391.00

#### Energy management: Electricity consumption

	2023	2024	2025
<b>Total electricity consumption within the organization (Kilowatt-Hours)</b>	93,163,491.77	102,665,121.00	105,487,704.00
Electricity purchased for consumption from non-renewable energy sources (Kilowatt-Hours)	93,163,491.77	102,665,121.00	105,487,704.00

### Information on water management

#### Water management plan

The Company's water management plan : Yes

- Reuse of treated wastewater in the production process.
- Rainwater collection for use in the production process.

#### Setting goals for water management

Does the company set goals for water management : Yes

### Details of setting goals for water management

Target(s)	Base year(s)	Target year(s)
Reduction of water withdrawal	2024 : Water withdrawal 633,344.00 Cubic meters	2025 : Reduced by 5% or 601,677.00 Cubic meters

### Performance and outcomes of water management

Performance and outcomes of water management : Yes

The study of reusing water generated from wastewater treatment in the production process has reached 92,000 cubic meters per year, and the collection and preliminary treatment of rainwater for reuse in the production process has reached 50,000 cubic meters per year.

### Water management: Water withdrawal by source

	2023	2024	2025
<b>Total water withdrawal (Cubic meters)</b>	530,556.00	633,344.00	620,747.00
Water withdrawal by third-party water (cubic meters)	530,556.00	633,344.00	612,752.00
Water withdrawal by produced water (cubic meters)	N/A	N/A	7,995.00

### Water management: Water discharge by destinations

	2023	2024	2025
Percentage of treated wastewater (%)	100.00	100.00	100.00
<b>Total wastewater discharge (cubic meters)</b>	177,779.00	264,059.00	210,893.00
Wastewater discharged to third-party water (cubic meters)	177,779.00	264,059.00	210,893.00

### Water management: Water consumption

	2023	2024	2025
Total water consumption (Cubic meters)	352,777.00	369,285.00	409,854.00

### Water management: Recycled water consumption

	2023	2024	2025
Total recycled water for consumption (Cubic meters)	N/A	105,580.00	218,888.00

## Information on waste management

### Waste management plan

The company's waste management plan : Yes

1. Implementation of waste and garbage management systems in accordance with the law.
2. The implementation of monitoring and the establishment of operational procedures regarding the management of waste materials that are no longer in use will follow Procedure 09 TQ 18.
3. Study of reusing unused materials in the production process, such as recycling paper generated from packaging removal for use in the production process.

### Setting goals for waste management

Does the company set goals for waste management : Yes

#### Details of setting goals for waste management

Target(s)	Base year(s)	Target year(s)	Waste management methods
Increase of waste recovery Waste type: Non-hazardous waste and hazardous waste	2024	2025 : Increased by 99%	<ul style="list-style-type: none"><li>• Reuse</li><li>• Recycle</li><li>• Landfilling</li><li>• Incineration with energy recovery</li><li>• Other : Alternative material for cement</li></ul>

### Performance and outcomes of waste management

Performance and outcomes of waste management : Yes

Implement the project according to the goal of reusing waste generated in the factory through recycling at 99%.

#### Waste management: Waste Generation

	2023	2024	2025
Total waste generated (Kilograms)	8,040,180.00	11,833,290.00	13,856,520.00
Total non-hazardous waste (kilograms)	410,050.00	2,152,920.00	2,148,170.00
Total hazardous waste (kilograms)	7,630,130.00	9,680,370.00	11,708,350.00

## Information on greenhouse gas management

### Greenhouse gas management plan

The company's greenhouse gas management plan : Yes

The installation of Solar Roof, which utilizes renewable energy instead of natural gas for electricity generation. The implementation of the Solar Roof can replace energy from sunlight starting in 2023, resulting in a reduction of electricity produced by natural gas by 264,192 KWh, a decrease in production costs by 1,062,052 Baht, and a reduction in greenhouse gas emissions of 130 tons of carbon dioxide.

### Compliance with principles and standards for greenhouse gas or climate change management <sup>(1)</sup>

Principles and standards for greenhouse gas or climate : Thailand Greenhouse Gas Management Organization  
change management (TGO)

Remark : <sup>(1)</sup> In 2026, the company will apply for the Carbon Footprint for Organization (CFO) certification from the Greenhouse Gas Management Organization (TGO). The company will undertake various projects to reduce greenhouse gas emissions, such as studying the use of clean energy, including the installation of solar panels, reducing the use of natural gas in certain production processes, and implementing circular economy principles to minimize the use of natural resources by reusing waste materials in the production process.

### Setting greenhouse gas emission goals

Does the company set greenhouse gas management goals : Yes

Company's existing targets : Setting net-zero greenhouse gas emissions targets

### Setting net-zero greenhouse gas emissions targets <sup>(2)</sup>

#### Details of setting net-zero greenhouse gas emissions targets

Greenhouse gas emission scope	Base year(s)	Short-term target year	Long-term target year	Certification
Scope 1	2026 : Greenhouse gas emissions 120.00 tCO <sub>2</sub> e	2030 : Reduced by 70% in comparison to the base year	2050 : Reduced by 100% in comparison to the base year	<ul style="list-style-type: none"> <li>Thailand Greenhouse Gas Management Organization (TGO) : None</li> <li>Science-based Targets (SBTi) : Approve</li> </ul>
Scope 2	2026 : Greenhouse gas emissions 0.00 tCO <sub>2</sub> e	2030 : Reduced by 75% in comparison to the base year	2050 : Reduced by 100% in comparison to the base year	<ul style="list-style-type: none"> <li>Thailand Greenhouse Gas Management Organization (TGO) : None</li> <li>Science-based Targets (SBTi) : Approve</li> </ul>

Remark : <sup>(2)</sup> The company has officially set a target to achieve net-zero greenhouse gas emissions by 2050, similar to POSCO Korea, with established short-term and long-term reduction goals, as well as a technology transformation strategy.

Long-term Goal

Achieve net-zero greenhouse gas emissions by 2050.

Medium and Short-term Goals

Significantly reduce greenhouse gas emissions by 2030.

Key Implementation Strategies 3.1 Transition to Green Steel 3.2 Energy Transition

*For example, expand the use of renewable energy.*

*Utilize low-carbon energy.*

*Develop environmentally friendly steel businesses.*

## Performance and outcomes of greenhouse gas management

Performance and outcomes of greenhouse gas : No  
management

In 2026, the company will apply for the Carbon Footprint for Organization (CFO) certification from the Greenhouse Gas Management Organization (TGO). The company will implement various projects to reduce greenhouse gas emissions, such as studying the use of clean energy, including the installation of solar panels, reducing the use of natural gas in certain production processes, and applying the principles of a circular economy to minimize the use of natural resources by reusing materials that are no longer in use in the production process.

### Greenhouse gas management : Corporate greenhouse gas emission

	2023	2024	2025
Total greenhouse gas emissions (Metric tonnes of carbon dioxide equivalent)	22,307,529.00	25,740,197.00	29,027,785.00
Total greenhouse gas emissions - Scope 1 (Metric tonnes of carbon dioxide equivalent)	22,264,730.00	25,693,033.00	28,979,324.00
Total greenhouse gas emissions - Scope 2 (Metric tonnes of carbon dioxide equivalent)	42,799.00	47,164.00	48,461.00

### Greenhouse gas management: Verification of the company's greenhouse gas emissions over the past year <sup>(3)</sup>

Verification of the company's greenhouse gas emissions : No

Remark : <sup>(3)</sup> In 2026, the company will apply for the Carbon Footprint for Organization (CFO) certification from the Greenhouse Gas Management Organization (TGO). The company will implement various projects to reduce greenhouse gas emissions, such as studying the use of clean energy, including the installation of solar panels, reducing the use of natural gas in certain production processes, and applying the principles of a circular economy to minimize the use of natural resources by reusing materials that are no longer in use in the production process.

## Information on other environmental management

### Plans, performance, and outcomes related to other environmental management

The company participates in various projects with government agencies as follows;  
Department of Mineral Resources under the Ministry of Industry.

- The company was invited by the Department of Mineral Resources for being a leading company in applying the principles of a circular economy at the "INNOVATION IN RAW MATERIALS 2025" event.



- On July 7, 2025, the Deputy Permanent Secretary of the Ministry of Industry and the selection committee for the Outstanding Industry Award for the year 2025 in the circular economy category conducted an assessment of the establishments applying for the award. The committee, consisting of representatives from various agencies, officials from the Rayong Provincial Industry Office, and staff from the Innovation in Raw Materials and Continuous Industry Division, assessed the establishment at POSCO-Thainox Public Company Limited in Rayong Province. The company was selected by the Ministry of Industry and received the Outstanding Industry Award for the year 2025 in the circular economy category.



- On September 17, 2025, at the Amari Hotel in Bangkok, POSCO-Thainox Public Company Limited received the EIA Monitoring Awards 2025, with the Outstanding Award from the Permanent Secretary of the Ministry of Natural Resources and Environment. This project was initiated by the Office of Natural Resources and Environmental Policy and Planning under the concept "EIA Next Step: The Next Sustainable Growth."



- On December 19, 2025, the company received the Model Enterprise Award for Environmental Excellence for Rayong Province in 2025 from the Governor of Rayong at the Rak Rayong event.



## Information on incidents related to legal violations or negative environmental impacts

Number of cases and incidents of legal violations or negative environmental impacts

	2023	2024	2025
Number of cases or incidents of legal violations or negative environmental impact ((cases))	0	0	0

### 3.4 Social sustainability management

#### 3.4.1 Social policy and guidelines

Social and human rights policy and guidelines : Yes

Social and human rights guidelines : Employee rights, Migrant/foreign labor, Child labor, Consumer/customer rights, Community and environmental rights, Safety and occupational health at work, Non-discrimination, Supplier rights

The Company has adopted and adheres to the ethical code of conduct provided by the Korean Post, and considers it the duty and responsibility of its employees to follow the Code of Ethics. The Company also has penalties for any violations of the ethical code of conduct. Employees of the company must adhere to the rules and regulations of each country and region where they conduct business operations. They must uphold the dignity and reputation of the company and work with honesty, integrity, fairness, and reliability in all aspects of their work and business relationships. Employees must not engage in any actions that may cause conflicts of interest between the company and themselves or others, due to differences in gender, race, disability, religion, or respect for individual differences. Together, employees must create a culture of ethical standards within the organization.

The company also has Quality, Safety, Occupational Health, Environmental and Energy Saving Policy, Anti-corruption Policy, Personal Data Protection Policy for Employees, Personal Data Protection Policy for Customers, Business Partners, and Visitors, Supplier code of conduct, and ESG policy as well.

#### Compliance with human rights principles and standards

Human rights management principles and standards : Thai Labour Standard: Corporate Social Responsibility of Thai Businesses (TLS 8001-2010) by the Ministry of Labour, The UN Guiding Principles on Business and Human Rights, The OECD Guidelines for Multinational Enterprises

#### Review of social and human rights policies, guidelines, and/or goals over the past year

Review of social and human rights policies, guidelines, and/ : No  
or goals over the past year

#### Human Rights Due Diligence : HRDD

Does the company have an HRDD process : Yes

#### Human Rights Due Diligence (HRDD) Process

POSCO-THAINOX identifies human rights violations to prevent and to mitigate their negative impact, and if necessary, conducts an HRDD to fulfill its commitment to human rights protection. The due diligence procedure includes identifying and evaluating an actual/potential human rights impact, responding to the identified issues, documenting the response measures, and communicating with the stakeholders about how it was handled.

An HRDD takes the following into consideration:

- 1) POSCO-THAINOX includes, in its HRDD, adverse impacts related to human rights that may occur directly or indirectly in our business management activities and business relations.
- 2) POSCO-THAINOX considers, in its HRDD, various factors, such as the size and location of a worksite, human rights related risks, nature and substance of the business, and local political and economic circumstances and cultures.

3) POSCO-THAINOX perceives that with the changing corporate actions and business operation environment, the human rights risks will gradually be affected, and POSCO-THAINOX continuously applies this belief in real life.

#### **A. Due diligence method**

POSCO-THAINOX endeavors to identify and examine any actual and potential negative impacts on human rights in domestic and overseas business management activities and business relations according to the following processes:

- 1) When a human rights risk is detected at a major worksite in Korea or abroad, an HRDD will be conducted to assess the situation and to generate corrective measures.
- 2) In principle, a due diligence will be conducted by an in-house professional, but if necessary, it may be conducted with an assistance of a third-party professional.
- 3) Depending on the circumstances, practically, the interviews will be conducted with groups that may potentially be exposed to the impact at issue and with the stakeholders.
- 4) An HRDD will identify potential and actual impact. With regard to potential impact, the results of assessment will be disclosed company-wide and based on the relevant procedures performed, the prevention and mitigation measures will be taken. Remedies and solutions should be identified against the actual impact that has already taken place.
- 5) An HRDD will be conducted by using a checklist that diagnoses the essential elements of human rights management.

### **3.4.2 Social operating results**

#### **Information on employees and labor**

##### **Employees and labor management plan**

The company's employee and labor management plan : Yes

Employee and labor management plan implemented by : Fair employee compensation, Employee training and  
the Company in the past year development, Safety and occupational health at work

The Company takes care and treats employees with fairness and equality, with appropriate welfare and remuneration through the consideration of the the executives, provident fund, giving awards to employees, both monthly and yearly, and special awards such as Recognition Award, Recommended Award, Cost Saving Award, New Record Award, Best Person of the year, Communities Activities Award, Technical Improvement Award, and Innovation Award, etc. There is also protection welfare for all employees which protects more than the minimum required by law.

Employees are a resource that is regarded as extremely important in the Company's business operations and affect the work to achieve the goal. Therefore, in human resource management, the Company realizes and places great importance on the process of personnel recruitment as well as personnel retention. The Company also places importance on employee development to increase their knowledge, ability, skills, and work efficiency.

The new employee will have a supervisor in each line of work to perform training duties in that line of work. Training is also provided both internal and external training. For internal training, the Company invites speakers to pass on the experience and provide additional knowledge to employees. The Company also increases the potential of existing employees in the organization by assigning them to be the training speakers in their fields of expertise.

As for online training through the e-campus system, the Company has encouraged employees to register to learn. There are topics of knowledge both in terms of organizational culture, leadership, safety, knowledge of expertise in various fields.

The Company provides necessary protective equipment for employees working in the factory, such as safety helmets, shoes, glasses, gloves, chemical protection masks in case of leakage, etc. There are also various warning signs within the factory limiting restricted areas. There is also a campaign on safety on a regular basis. The Company allocated the space for the nursing room with professional nurses on duty 24 hours a day and doctors come to give

advice once a week. There are ambulances and fire engines that are ready in case of emergencies. The Company also arranged annual health check-ups, health insurance, medical welfare, etc.

### **Setting employee and labor management goals**

Does the company set employee and labor management : Yes  
goals

### Details of setting goals for employee and labor management

Target(s)	Indicator(s)	Base year(s)	Target year(s)
<ul style="list-style-type: none"> <li>Fair employee compensation</li> <li>Non-discrimination</li> </ul>	MBO, Competency	-	2025: The Company adjusts wages based on employee performance, economic conditions and the Company's performance.
<ul style="list-style-type: none"> <li>Employee training and development</li> </ul>	The number of employees who have received training to develop their potential in their own fields is more than 50% of the average number of employees (those who have received training more than once are counted as 1 time).	-	2025: The number of employees who have received training to develop their potential in their own fields is 72.54% of the average number of employees
<ul style="list-style-type: none"> <li>Promoting employee relations and participation</li> </ul>	Zero employee complaints	-	2025: There are quarterly meetings of 1) Welfare Committee and Managements have joint meetings 2) Harmony Communicator (representatives of employees from each division) to create a good working environment and be a medium for conveying information between employees and the company.
<ul style="list-style-type: none"> <li>Safety and occupational health at work</li> </ul>	Zero accident	-	2025: The company focus on safety workplace environment with no accident.

### Performance and outcomes for employee and labor management

Performance and outcomes for employee and labor : Yes  
management

As a result of the operation that focuses on developing the quality of life of employees, including continuously improving the working environment and welfare of employees. The company has received the results from employee and labor management as follows:

1. Thailand Labour Management Excellent Award 2025 from the Department of Labor Protection and Welfare, Ministry of Labour
2. Certificate of Thai Labour Standard (TLS 8001-2020) for Basic Level from the Department of Labour Protection and Welfare, Ministry of Labour
3. CSR-DIW Continuous Award 2025, Corporate Social Responsibility, Department of Industrial Works (CSR-DIW) from the Ministry of Industry
4. EIA Monitoring Awards 2025
5. Rayong Province's Exemplary Business Model Award for the year 2025

#### Employee and labor management: Employment

##### Hiring employees

	2023	2024	2025
<b>Total employees</b> (persons)	550	546	532
Male employees (persons)	450	446	430
Female employees (persons)	100	100	102

##### Employment of workers with disabilities

	2023	2024	2025
<b>Total employment of workers with disabilities</b> (persons)	0	5	5
<b>Total number of employees with disabilities</b> (persons)	0	0	0
<b>Total number of workers who are not employees with disabilities</b> (persons)	0	5	5

#### Employee and labor management: Remuneration

##### Employee remuneration

	2023	2024	2025
<b>Total employee remuneration</b> (baht)	453,133,556.00	456,740,351.00	473,918,063.00
Total male employee remuneration (Baht)	355,441,410.00	355,132,276.00	364,034,456.00
Total female employee remuneration (Baht)	97,692,146.00	101,608,075.00	109,883,607.00

#### Employee and labor management: Employee training and development

	2023	2024	2025
Average employee training hours (hours / person / year)	3.00	3.00	3.00
Training and development expenses for employees (baht)	5,648,241.00	2,178,421.00	3,626,784.00

#### Employee and labor management: Safety, occupational health, and environment at work

##### Safety, occupational health, and environment at work

	2023	2024	2025
Total number of lost time injury incidents by employees (cases)	0	0	0

#### Employee and labor management: Employee engagement and internal employee groups

##### Employee engagement

	2023	2024	2025
Total number of employee turnover leaving the company voluntarily (persons)	7	6	8
Total number of male employee turnover leaving the company voluntarily (persons)	7	5	7
Total number of female employee turnover leaving the company voluntarily (persons)	0	1	1
Proportion of voluntary resignations (%)	1.27	1.10	1.50

##### Employee internal groups

Employee internal groups : Yes

Types of employee internal groups : Welfare committee

#### Information about customers

##### Customer management plan

Company's customer management plan : Yes

Customer management plan implemented by the : Consumer data privacy and protection  
company over the past year

Company manage customer information based on PDPA policy.

#### **Setting customer management goals**

Does the company set customer management goals : No

#### **Performance and outcomes of customer management**

Performance and outcomes of customer management : No

### **Information on community and society**

#### **Community and social management plan**

Company's community and social management plan : Yes

Community and social management plan implemented by : Education, Religion and culture, Occupational health,  
the company over the past year safety, health, and quality of life, Disadvantaged and  
vulnerable groups, Others : Support sustainable  
income for communities surrounding the factory

- Initiate activities for the benefit of the public in developing local communities and preserving the environment
- Actively participate in charity activities as part of the commitment to share with the community and society

#### **Setting community and social management goals**

Does the company set community and social : Yes  
management goals

## Details of setting community and social management goals

Target(s)	Indicator(s)	Base year(s)	Target year(s)
• Others : Improve the landscape of Nikhom Phatthana District Office	Social Return on Investment	-	2025: - Promote and instill good awareness in employees to do volunteer activities with society and communities around the factory - Assist the government budget to improve the workplace of local government agencies - Enhance the workplace of happiness and safety for civil servants who work and the public who come to contact the government
• Disadvantaged and vulnerable groups	Disability employment	-	2025: - The company has a policy to promote the quality of life of disabled people living in the industrial estate (community in the factory area) so that they have income to support themselves and their families.

## Performance and outcomes of community and social management

Performance and outcomes of community and social : Yes

management

The Company has allocated a budget for social and community activities every year to improve the quality of life and environment of the community, divided into the following operations:

- 1. Activities to preserve the local community's culture and maintain religion:** Participating in the Bun Khao Lam tradition (building unity within the community), candle casting activities
- 2. Community and social development activities:** Improving the landscape of Nikhom Phatthana District Office, providing bulletproof shields and bulletproof steel plates for bulletproof vests to police officers, cleaning the community, providing first aid equipment to the Siam Foundation to help disaster victims in Rayong Province
- 3. Supporting education:** Improving classrooms and teaching media at the Nikhom Phatthana Autism Center, Rayong Province, donating computers for education to Mapkha Witthayakhan School
- 4. Helping the disadvantaged and vulnerable groups in society:** Employing the disabled, donating items and money to the Foundation for Slum Children - Ban Somwai (Klong Toei Community)

**5. Help stray animals:** Provide food and medicine to stray animals at the Stray Dog and Stray Cat Care Center, Royal Thai Navy Fleet.

## Information on incidents related to legal or social and human rights violations

### Number of cases and incidents of significant legal or social and human rights violations

	2023	2024	2025
Total number of cases or incidents of significant legal or social and human rights violations cases	0	0	0
Total number of cases or incidents leading to significant labor disputes (cases)	0	0	0
Total number of incidents or complaints related to business partner's rights violations (cases)	0	0	0
The total number of cases or complaints related to partner rights violations (Cases)	0	0	0
Total number of cases or incidents leading to disputes with the community/society (cases)	0	0	0
Total number of cases or incidents related to cybersecurity or customer data breaches (cases)	0	0	0
Total number of cases or incidents related to workplace safety and occupational health (cases)	0	0	0

## 4. Management Discussion and Analysis (MD&A)

### 4.1 Operation, financial condition and material changes

#### Operational overview

POSCO-Thainox Public Company Limited (“the Company”) has reviewed and approved the reviewed Consolidated Financial Statements for ended December 31, 2025. The operational performances from consolidated financial statements were significantly different from the last year due to the following items:

#### Overall performance

Unit : Million Baht		Y 2025	Y 2024
		Audited	Audited
<b>Revenue</b>			
Revenue from Sale of goods and rendering		13,251	13,251
Net foreign exchange gain		31	31
Other Income		61	61
<b>Total Revenue</b>		<b>13,343</b>	<b>13,343</b>
<b>Expense</b>			
Cost of sales of goods and rendering services		(12,610)	(12,610)
Selling Expensed		(120)	(120)
Administrative Expenses		(341)	(341)
Surcharge and other tax		(168)	(168)
<b>Total Expenses</b>		<b>(13,239)</b>	<b>(13,239)</b>
<b>Profit (Loss) from operating activities</b>		<b>104</b>	<b>104</b>
Finance Cost		(2)	(2)
Share of loss of an associated		1	1
<b>Profit (Loss) before tax income</b>		<b>103</b>	<b>103</b>
Taxes (expense) Income		(165)	(165)
<b>Profit (Loss) for the period</b>		<b>(62)</b>	<b>(62)</b>

Analysis on the operation and financial condition

## Operating results and profitability

### Total Revenue

For the year ended 2025, the company had total revenue of 13,343 million baht, a decrease of 1,195 million baht or 8% from 14,379 million baht in 2024. It is due to an 8% decrease in sales revenue compared to the previous year, along with a significant decline in exchange rate gains and other income.

### Cost of Goods Sold

The cost of sales and services for 2025 amounted to 12,610 million baht, a decrease of 1,031 million baht or 8% compared to 2024, mainly due to lower raw material prices.

### Expenses

Selling and Administrative expenses totally 461 Million Baht in the year 2025 increased 5 Million Baht compared to the year 2024 mainly from the provision of allowance for doubtful debt.

Surcharge and other Tax totally 168 Million Baht mainly from withholding tax 108 Million Baht and surcharge 60 Million Baht which is one-time payment according to the resulted of Bilateral Advance Pricing Agreement in the year 2025.

Tax expenses totally 165 Million Baht is increased 74 Million Baht compare to the year 2024 which is tax expenses 91 Million Baht.

### Asset management capability

#### Asset

As of December 31, 2025, the Company's total asset was at 11,318 Million Baht, decreased 653 Million Baht or 5.5% compared to December 31, 2024 due to,

- Cash & cash equivalents was 2,366 Million Baht decreased 681 Million Baht or 22.3% compared to 3,047 Million Baht at December 31, 2024.
- Accounts Receivable (net) was 2,074 Million Baht, decreased 448 Million Baht or 18% compared to 2,522 Million Baht.
- Inventory was 4,035 Million Baht, increased 531 Million Baht or 15% compared to 3,503 Million Baht end of 2024.
- Property, Plant and Equipment (net) was 2,351 Million Baht, decreased by 157 Million Baht or 6.3% compared to 2,509 Million Baht end of 2024, mainly from depreciation expense of assets during the period.

#### Liabilities

As of December 31, 2025, the Company's total liability was at 2,273 Million Baht, decreased 405 Million Baht or 15% compared to 2,678 Million Baht end of 2024 due to,

- Accounts payable totally 1,870 Million Baht, decreased 343 Million Baht or 16%
- Other trade payable totally 176 Million Baht, decrease 70 Million Baht or 28%

#### Shareholders' equity

As of December 31, 2025 Shareholder's equity was at 9,044 Million Baht, decreased 248 Million Baht compared to the December 31, 2024 mainly due to,

- Net Loss for the year 2025 totally 62 Million Baht.
- Dividend payment during the period totally 179 Million Baht.

### Liquidity and capital adequacy

#### Cash flow analysis

Cash flow from operating activities was negative 278 million baht, a decrease of 1,202 million baht compared to 2024, due to an increase in trade receivables and inventory, and higher tax expenses.

Cash flow from investing activities was negative 190 million baht, resulting from investments in upgrading machinery, equipment, and intangible assets.

Cash flow from financing activities was negative 208 million baht due to dividend payments in 2024 and lease debt repayments.

**Issuance of debt securities with an obligation to maintain financial ratios**

Is there an issuance of debt securities with an obligation : No  
to maintain financial ratios?

## 4.2 Potential factors or incidents that may materially affect the financial condition or the operating results

### Significant factors or incidents that may materially affect the future financial condition or the operating results

#### Risk factors

International trade measures may impact the company's exports by increasing import costs, reducing competitiveness in foreign markets, or limiting export volumes. Currently, trade measures include the collection of greenhouse gas emission charges, such as the European Union's Carbon Border Adjustment Mechanism (CBAM), which aims to reduce pollution by setting industrial product standards in each country. The company has prepared Embedded Emissions reports for goods manufactured and exported to the European Union for EU importers to use in carbon payment for goods imported into the EU.

The company is paying attention to this issue as international trade trends show that many countries are in the process of releasing environmental laws and implementing taxes on greenhouse gas emissions.

#### Trend in 2026

1. Intense competition from imported steel, especially from China, will continue this year, particularly in terms of price.
2. Thailand's GDP growth in 2026 is projected at only 1.7%, limiting the expansion of domestic demand.

## 4.3 Information from financial statements and significant financial ratios

### Information from financial statements

#### Summary of financial position statements

	THB		
	31 Dec 2023	31 Dec 2024	31 Dec 2025
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
<b>Assets</b>			
Cash And Cash Equivalents (ThousandTHB)	2,305,010.00	3,046,623.00	2,366,282.00
Trade And Other Receivables - Current - Net (ThousandTHB)	2,091,310.00	2,682,122.00	2,178,298.00
Other Parties (ThousandTHB)	1,766,162.00	1,992,159.00	1,739,372.00
Related Parties (ThousandTHB)	194,157.00	535,426.00	340,399.00
Less: Allowance for expected credit losses (ThousandTHB)	(5,871.00)	(5,751.00)	(5,563.00)
Other Current Receivables (ThousandTHB)	136,862.00	160,288.00	104,091.00
Current portion of receivables under debt restructuring (ThousandTHB)	0.00	0.00	11,397.00
Short-Term Loan And Interest Receivables (ThousandTHB)	0.00	0.00	91,000.00

	THB		
	31 Dec 2023	31 Dec 2024	31 Dec 2025
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Related Parties (ThousandTHB)	0.00	0.00	91,000.00
Inventories - Net (ThousandTHB)	4,176,782.00	3,503,366.00	4,034,370.00
Other Current Assets (ThousandTHB)	212,004.00	27,769.00	86,321.00
<b>Total Current Assets</b> (ThousandTHB)	8,785,106.00	9,259,880.00	8,767,669.00
Trade And Other Receivables - Non-Current - Net (ThousandTHB)	-	-	-
Investment In Associates (ThousandTHB)	57,522.00	59,056.00	59,747.00
Receivables under debt restructuring - non current within 1 year (ThousandTHB)	0.00	0.00	1,796.00
Property, Plant And Equipment - Net (ThousandTHB)	2,549,657.00	2,509,027.00	2,351,575.00
Right-Of-Use Assets - Net (ThousandTHB)	42,555.00	32,216.00	17,518.00
Intangible Assets - Net (ThousandTHB)	2,618.00	1,605.00	10,707.00

	THB		
	31 Dec 2023	31 Dec 2024	31 Dec 2025
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Deferred Tax Assets (ThousandTHB)	91,013.00	53,786.00	60,606.00
Other Non-Current Assets (ThousandTHB)	89,814.00	55,086.00	48,070.00
<b>Total Non-Current Assets</b> (ThousandTHB)	2,833,179.00	2,710,776.00	2,550,019.00
<b>Total Assets</b> (ThousandTHB)	11,618,285.00	11,970,657.00	11,317,688.00
<b>Liabilities</b>			
Trade And Other Payables - Current (ThousandTHB)	2,459,771.00	2,459,830.00	2,046,392.00
Trade payables (ThousandTHB)	2,312,765.00	2,213,756.00	1,870,247.00
Other Current Payables (ThousandTHB)	147,006.00	246,074.00	176,145.00
Current Portion Of Lease Liabilities (ThousandTHB)	18,390.00	20,539.00	12,634.00
Provisions For Employee Benefit Obligations - Current (ThousandTHB)	14,822.00	18,227.00	21,507.00
<b>Total Current Liabilities</b> (ThousandTHB)	2,492,983.00	2,498,596.00	2,080,533.00

	THB		
	31 Dec 2023	31 Dec 2024	31 Dec 2025
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Lease liabilities - net of current portion: due within 1 year (ThousandTHB)	24,394.00	12,026.00	5,168.00
Provisions For Employee Benefit Obligations - Non-Current (ThousandTHB)	154,233.00	167,587.00	187,703.00
<b>Total Non-Current Liabilities</b> (ThousandTHB)	178,627.00	179,613.00	192,871.00
<b>Total Liabilities</b> (ThousandTHB)	2,671,610.00	2,678,209.00	2,273,404.00
<b>Shareholders' equity</b>			
Authorised Share Capital (ThousandTHB)	7,795,709.00	7,795,709.00	7,795,709.00
Paid-Up Ordinary Shares (ThousandTHB)	7,795,709.00	7,795,709.00	7,795,709.00
Premium (Discount) On Ordinary Shares (ThousandTHB)	332,131.00	332,131.00	332,131.00
Retained Earnings (Deficits) (ThousandTHB)	-	-	-
Legal And Statutory Reserves (ThousandTHB)	571,703.00	589,168.00	589,168.00

	THB		
	31 Dec 2023	31 Dec 2024	31 Dec 2025
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Retained Earnings (Deficits) - Unappropriated (ThousandTHB)	247,132.00	575,439.00	327,273.00
<b>Total Equity</b> (ThousandTHB)	8,946,675.00	9,292,447.00	9,044,281.00
<b>Total Liabilities And Equity</b> (ThousandTHB)	11,618,285.00	11,970,656.00	11,317,685.00

### Summary of income statement

	THB		
	31 Dec 2023	31 Dec 2024	31 Dec 2025
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
<b>Statement of Comprehensive Income</b>			
Revenue From Sales And Rendering Services (ThousandTHB)	14,067,414.00	14,379,173.00	13,250,716.00
Exchange gain (ThousandTHB)	23,924.00	85,751.00	31,471.00
Other Income (ThousandTHB)	31,554.00	72,673.00	61,007.00
<b>Total Revenue</b> (ThousandTHB)	14,122,892.00	14,537,597.00	13,343,194.00

	THB		
	31 Dec 2023	31 Dec 2024	31 Dec 2025
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Costs (ThousandTHB)	13,758,970.00	13,640,548.00	12,610,203.00
Selling Expenses (ThousandTHB)	120,730.00	126,660.00	119,842.00
Administrative Expenses (ThousandTHB)	322,950.00	329,326.00	341,445.00
Income tax expenses (ThousandTHB)	0.00	0.00	168,107.00
<b>Total Cost And Expenses</b> (ThousandTHB)	14,202,650.00	14,096,534.00	13,239,597.00
Share Of Profit (Loss) From Investments Accounted For Using The Equity Method (ThousandTHB)	(41.00)	2,136.00	1,252.00
<b>Profit (Loss) Before Finance Costs And Income Tax Expense</b> (ThousandTHB)	(79,799.00)	443,199.00	104,849.00
Finance Costs (ThousandTHB)	(2,253.00)	(1,827.00)	(1,770.00)
Income Tax Expense (ThousandTHB)	8,973.00	(90,542.00)	(165,122.00)
<b>Net Profit (Loss) For The Period</b> (ThousandTHB)	(73,079.00)	350,830.00	(62,043.00)

	THB		
	31 Dec 2023	31 Dec 2024	31 Dec 2025
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Remeasurement Of Employee Benefit Obligations (ThousandTHB)	768.00	(6,325.00)	(8,527.00)
Less: Income tax effect (ThousandTHB)	(154.00)	1,265.00	1,705.00
Income Taxes Relating To Items That Will Not Be Subsequently Reclassified To Profit Or Loss (ThousandTHB)	615.00	(5,060.00)	(6,822.00)
<b>Total Comprehensive Income (Expense) For The Period</b> (ThousandTHB)	(72,464.00)	345,770.00	(68,865.00)
<b>Basic Earnings (Loss) Per Share (Baht/Share)</b> (ThousandTHB)	0.00000	0.00000	0.00000
Operating Profit (ThousandTHB)	(79,758.00)	441,063.00	103,597.00

## Summary of cash flow statement

	THB		
	31 Dec 2023	31 Dec 2024	31 Dec 2025
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Cash flow statement			
Net Profit (Loss) Attributable To Owners Of The Parent For The Period (ThousandTHB)	(73,079.00)	350,830.00	(62,043.00)
<b>Adjustments to reconcile profit to net cash provided by (paid from) operating activities:</b> (ThousandTHB)	-	-	-
Depreciation And Amortisation (ThousandTHB)	334,982.00	313,101.00	323,065.00
(Reversal Of) Expected Credit Losses (ThousandTHB)	(1,564.00)	(1,580.00)	7,369.00
(Reversal Of) Loss From Diminution In Value Of Inventories (ThousandTHB)	(135,361.00)	(30,506.00)	(4,152.00)
Share of profit from investment and associate (ThousandTHB)	41.00	(2,136.00)	(1,252.00)
(Gains) Losses On Disposal Of Fixed Assets (ThousandTHB)	(96.00)	45.00	215.00

	THB		
	31 Dec 2023	31 Dec 2024	31 Dec 2025
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Loss On Write-Off Of Fixed Assets (ThousandTHB)	1,084.00	7.00	0.00
Loss On Write-Off Of Other Assets (ThousandTHB)	0.00	0.00	0.00
Interest Income (ThousandTHB)	(13,714.00)	(56,898.00)	(40,493.00)
Finance Costs (ThousandTHB)	2,253.00	1,827.00	1,770.00
Income Tax Expense (ThousandTHB)	(8,973.00)	90,542.00	165,122.00
Employee Benefit Expenses (ThousandTHB)	13,563.00	26,946.00	34,245.00
(Reversal Of) Provisions (ThousandTHB)	(16,659.00)	(792.00)	(552.00)
Unrealised loss (gain) on exchanges (ThousandTHB)	6,633.00	(8,509.00)	677.00
Loss on written-off of trade receivables (ThousandTHB)	0.00	0.00	910.00
Profit from operating activities before changes in operating assets and liabilities (ThousandTHB)	109,110.00	682,877.00	424,881.00

	THB		
	31 Dec 2023	31 Dec 2024	31 Dec 2025
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
<b>Cash Flows From (Used In) Operations Before Changes In Operating Assets And Liabilities</b> (ThousandTHB)	-	-	-
(Increase) Decrease In Trade And Other Receivables (ThousandTHB)	801,694.00	(584,295.00)	433,483.00
(Increase) Decrease In Inventories (ThousandTHB)	342,518.00	700,788.00	(526,851.00)
Other current assets (ThousandTHB)	36,487.00	184,235.00	(59,388.00)
Other non-current assets (ThousandTHB)	(26,018.00)	34,729.00	7,016.00
Increase (Decrease) In Trade And Other Payables (ThousandTHB)	275,293.00	(68,694.00)	(374,798.00)
Increase (Decrease) In Provisions For Employee Benefit Obligations (ThousandTHB)	(9,433.00)	(16,512.00)	(19,375.00)
<b>Cash Generated From (Used In) Operations</b> (ThousandTHB)	1,529,651.00	933,128.00	(115,032.00)
Income Tax (Paid) Received (ThousandTHB)	0.00	(9,520.00)	(163,377.00)

	THB		
	31 Dec 2023	31 Dec 2024	31 Dec 2025
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
<b>Net Cash From (Used In) Operating Activities</b> (ThousandTHB)	1,529,651.00	923,608.00	(278,409.00)
(Increase) Decrease In Short-Term Loan Receivables - Related Parties (ThousandTHB)	0.00	0.00	(91,000.00)
Proceeds From Disposal Of Fixed Assets (ThousandTHB)	-	-	-
Property, Plant And Equipment (ThousandTHB)	370.00	1.00	1,507.00
Payment For Purchase Of Fixed Assets (ThousandTHB)	-	-	-
Property, Plant And Equipment (ThousandTHB)	(122,903.00)	(215,832.00)	(132,358.00)
Intangible Assets (ThousandTHB)	(474.00)	0.00	(11,541.00)
Dividend Received (ThousandTHB)	0.00	603.00	561.00
Interest Received (ThousandTHB)	13,214.00	56,400.00	42,691.00

	THB		
	31 Dec 2023	31 Dec 2024	31 Dec 2025
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
<b>Net Cash From (Used In) Investing Activities</b> (ThousandTHB)	(109,793.00)	(158,828.00)	(190,140.00)
Repayments On Lease Liabilities (ThousandTHB)	(25,204.00)	(27,357.00)	(27,735.00)
Payment of finance cost (ThousandTHB)	(2,253.00)	(1,827.00)	(1,770.00)
Dividend Paid (ThousandTHB)	(189,436.00)	(11.00)	(179,284.00)
<b>Net Cash From (Used In) Financing Activities</b> (ThousandTHB)	(216,893.00)	(29,195.00)	(208,789.00)
<b>Net Increase (Decrease) In Cash And Cash Equivalent</b> (ThousandTHB)	1,202,965.00	735,585.00	(677,338.00)
Effect Of Exchange Rate Changes On Cash And Cash Equivalents (ThousandTHB)	(8,443.00)	6,027.00	(3,004.00)
Cash And Cash Equivalents, Beginning Balance (ThousandTHB)	1,110,485.00	2,305,010.00	3,046,623.00
<b>Cash And Cash Equivalents, Ending Balance</b> (ThousandTHB)	2,305,007.00	3,046,622.00	2,366,281.00

## Key financial ratios

	2023	2024	2025
Liquidity ratio			
Current ratio (times)	3.52	3.71	4.21
Quick ratio (times)	1.85	2.30	2.28
Average account receivable turnover (times)	5.96	6.41	5.75
Average collection period (days)	61.29	56.96	63.46
Profitability ratio			
Gross profit margin (%)	2.19	5.14	4.83
Other income to total income (%)	0.22	0.50	0.46
Net profit margin (%)	-0.52	2.44	-0.47
Return on equity (ROE) (%)	-0.82	3.78	-0.69
Financial policy ratio			
Total debts to total equity (times)	0.30	0.29	0.25
Efficiency ratio			
Return on asset (ROA) (%)	-0.63	2.93	-0.55

## 5. General information and other material facts

### 5.1 General information

#### General information

#### Securities registrar

**Name of securities registrar :** Thailand Securities Depository Co., Ltd.

Address/location : 93 Ratchadaphisek Road

Subdistrict : Din Daeng

District : Din Daeng

Province : Bangkok

Postcode : 10400

Telephone : 02-009-9000

Facsimile number : 02-009-9991

#### Auditing firm

**Name of auditing firm\* :** EY OFFICE LIMITED

Address/location : NO. 1875 ONE BANGKOK TOWER 3, LEVEL 34 - 37,  
RAMA 4 ROAD,

Subdistrict : LUMPHINI

District : PATHUM WAN

Province : Bangkok

Postcode : 10330

Telephone : +66 2264 9090

Facsimile number : +66 2264 0789-90

**List of auditors :** Mr. PORNANAN KITJANAWANCHAI

License number : 7792

**List of auditors :** Ms. WATOO KAYANKANNAVEE

License number : 5423

**List of auditors :** Ms. KESSIRIN PINPUVADOL

License number : 7325

#### Legal advisor or manager under management agreement

#### Name of legal advisor / manager under management agreement No. 1

Name of legal advisor / manager under management : CHINNADEJ & ASSOCIATES CO., LTD.

agreement

Address/location : 140/38 ITF Tower, 9th Floor Silom Road

Subdistrict : Suriyawongse

District : Bangrak

Province : Bangkok

Postcode : 10500

Telephone : 02-231-6083-7

**Name of legal advisor / manager under management agreement No. 2**

Name of legal advisor / manager under management : Tilleke & Gibbins International Ltd.

agreement

Address/location : 1011 Supalai Grand Tower, 26th Floor, Rama III Rd

Subdistrict : Chongnonsi

District : Yannawa

Province : Bangkok

Postcode : 10120

Telephone : 02 056 5555

## **5.2 Other material facts**

### **5.2.1 Other information that may significantly influence investors' decision making**

Other information that may influence investors' decision : No  
making

### **5.2.2 Restrictions of foreign shareholders**

Are there restrictions on foreign shareholders? : No

## 5.3 Legal disputes

### Legal disputes

Is there any legal dispute? : Yes

#### Details of legal dispute

Year of incident	Details	Progress status
2024	<p><b>Case name</b></p> <p>The National Anti-Corruption Commission (NACC) has filed a criminal complaint against the company and other defendants concerning the issuance of land</p> <p><b>Plaintiff</b></p> <p>National Anti-Corruption Commission (NACC)</p>	
	<p><b>Dispute No. 1</b></p> <p><u>Duration (approximate)</u></p> <p>Expected completion date : Dec 2027</p> <p><u>Dispute description</u></p> <p>NACC accused that the land in Sikhio District, Nakorn Rachasrima Province was upgraded their land deeds with increased land areas through a bribery to land officers. Such increased land fell within forest and state land. However it was clear that all such offences were committed by Previous Executive and his related parties and subordinates. The Company was only a vehicle to acquire such land (and later sold them off, On September 19, 2011, as it was the intention of the POSCO group before taking over the business to focus solely on the production and sale of cold-rolled stainless steel.). The current management team is not involved in any way.</p> <p><u>Outcome of the dispute / Progress of the dispute</u></p>	In progress

Year of incident	Details	Progress status
	<p>On May 1, 2025, the Criminal Court for Corruption and Misconduct Cases Region 3 in Surin Province delivered its verdict in a case . The Court found the Company guilty and imposed a fine in the amount of THB 60,000. (equivalent to 0.0006% compared to the total shareholders' equity)</p> <p>On August 25, 2025, the Company filed an appeal against the judgment of the court of First instance in its entirety. Subsequently, on December 12, 2025, the NACC also filed an appeal against the judgment. The Company will submit its response to the NACC's appeal by February 18, 2026. The appeals court is scheduled to issue an informal judgment in 2027.</p> <p><u>Additional details</u></p> <p>-</p>	

## 5.4 Secondary market

### Secondary market

Has the company's security been listed on a stock : No  
exchange in another country?

## 5.5 Financial institution with regular contact (in case of debt securities offeror)

### Financial institution with regular contact

Are there any debt securities offered? : No

## **Part 2 Corporate Governance**

## 6. Corporate governance policy

### 6.1 Overview of the policy and guidelines

#### Overview of the policy and guidelines

Corporate governance policy and guidelines : Yes

The Company has many policies to secure good governance such as Code of Conduct, Code of Ethics, Anti-corruption Policy, Whistleblower Policy, ESG Policy, etc.

Reference link for the full version of corporate governance : <http://www.poscothainox.com/about-sustainability.php>  
policy and guidelines

#### 6.1.1 Policy and guidelines related to the board of directors

Are there policy and guidelines related to the board of : Yes  
directors

Guidelines related to the board of directors : Nomination of directors, Determination of director remuneration, Independence of the board of directors from the management, Corporate governance of subsidiaries and associated companies

#### Nomination of directors

The company has a policy to recruit and consider selecting individuals who are suitable to hold the position of director, with the following selection criteria:

1. Qualifications of Directors: Directors must meet the qualifications as stipulated by the Stock Exchange, such as having knowledge and competence in management, relevant experience, and not being individuals with legal restrictions. Specifically, they must possess qualifications and not have disqualifying characteristics as per Article 17 of the company's regulations. Directors must be natural persons and may or may not be shareholders of the company.

1.1 Must have reached legal age.

1.2 Must not be a bankrupt person, a person without capacity, or a person deemed to be without capacity.

1.3 Must not have been convicted by a final judgment to imprisonment for offenses related to property committed with fraud.

1.4 Must not have been punished, dismissed, or removed from government service or from a state agency or organization for misconduct.

2. Appointment: Directors who have been recruited must be elected by the company's board meeting in accordance with the criteria set by the Stock Exchange. The resolution of the board must consist of at least three-fourths of the votes of the remaining directors.

#### Determination of director remuneration

Pursuant to Article 23 of the Articles of Association of the Company, the directors shall be entitled to receive remuneration from the Company by means of meeting allowance, pension, bonus or any other benefits as approved by the shareholder's meeting. The consideration shall compare with other listed companies in the Stock Exchange of Thailand being the same industry, including performance of the Company and the current economic situation.

#### Independence of the board of directors from the management

The Board of directors has Balance of Non-Executive Directors. Also, the Company's Audit Committee is compound of independent directors who do not hold any direct or indirect shares.

### **Corporate governance of subsidiaries and associated companies**

The principles of appointing the board of directors of NS-Thailand Auto Co., Ltd. ("Joint Company") are as follows:

The Joint Company's board of directors shall be elected by a general meeting of shareholders.

The board of directors shall consist of 5 directors, with 2 directors appointed by a majority vote of Group A shareholders and 3 directors appointed by a majority vote of Group B shareholders.

The board of directors shall select one director appointed by a majority vote of Group A shareholders to be the chairman and one director appointed by a majority vote of Group B shareholders to be the managing director.

The Joint Company, as a member of Group A shareholders, has nominated 2 persons to be directors, with 1 of the 2 nominated persons being the chairman of the board of directors, and the other person being a director, not managing director.

### **6.1.2 Policy and guidelines related to shareholders and stakeholders**

Are there policy and guidelines and measures related to : Yes

shareholders and stakeholders

Guidelines and measures related to shareholders and : Shareholders, Employee, Suppliers

stakeholders

### **Shareholders**

The Company operate under the public law. The right of shareholder is determined in Articles of Association and disclosed via One Report and the Company's website.

### **Rights of Shareholders**

1. The Company shall treat all shareholders fairly and equitably with respect to their access to information. The Company shall inform shareholders of its progress on an ongoing basis through direct means, such as sending circular letters to shareholders, providing basic information to shareholders when requested, or making information available through the Company's website or the Stock Exchange of Thailand's website. In addition, as all shares of the Company are common shares without any preferred shares, all shareholders have equal rights, including the right to one vote per share on matters such as receiving dividends and voting at shareholder meetings.
2. The Company recognizes that all shareholders are the owners of the Company. Therefore, the Company shall notify all shareholders of the meeting schedule and agenda no less than seven or fourteen days in advance, as required by the Company's regulations. The Company shall also announce the meeting schedule in a Thai-language newspaper no less than three days in advance to ensure that shareholders are informed and have enough time to study the relevant information before attending the meeting. In addition, during the Annual General Meeting on April 20, 2018, the Company passed a resolution to amend Article 33 of the Company's regulations, allowing shareholders who hold no less than ten percent of the total shares to call for an Extraordinary General Meeting.
3. The invitation to the shareholders' meeting shall clearly specify the meeting agenda, objectives, and the Board of Directors' opinions on each item as required by law. It shall also include details about the meeting, such as the Board's nomination of directors and their biographical information, the company's auditor, and their fees. The Company shall also announce its dividend payment policy, the reasons for the policy, and other relevant information. Furthermore, the invitation shall contain general information to facilitate shareholders' attendance at

the meeting, such as the appointment of independent proxies to attend the meeting on behalf of shareholders who cannot attend, proxy forms, supporting documents, and a map to the meeting venue.

4. During shareholder meetings, the company has a policy to facilitate shareholder participation by providing convenient transportation arrangements, certified staff to assist, and an interpreter for international investors. Representatives from the Stock Exchange of Thailand, the Securities and Exchange Commission, accountants, and the Thai Investors Association are also invited to attend.
5. After each shareholder meeting, the company will disclose the resolutions and voting results, including the number of votes for, against, and abstaining, as well as the voting method and the number of shareholders and board members present. Questions or concerns raised by shareholders during the meeting will be recorded and made available for review. The meeting proceedings will also be made available on the company's website.
6. In annual general meetings, the board of directors will be rotated in groups of three as required by law, and they may be re-elected to serve again. The company provides individual voting for the election of board members, giving shareholders a genuine opportunity to choose the candidates they prefer.
7. The company also proposes remuneration for the board of directors, including monthly compensation and annual bonuses, without any special privileges. The proposal is considered by the board of directors based on appropriateness and compared with compensation of board members of other companies registered in the stock exchange, economic conditions, operational results, and other factors. The proposal is then presented to the shareholder meeting for approval. At present, five out of nine board members have waived their right to receive compensation during their tenure as board members.
8. The company has provided shareholders with the opportunity to propose agenda items, submit questions, and nominate board members in advance of every shareholder meeting. Shareholders who own at least 1,000,000 shares and have held them for at least one year prior to the meeting are eligible to do so. There is no limit to the number of questions that can be submitted, and the opportunity is open to all shareholders regardless of the number of shares held. This is to encourage shareholder engagement and to allow shareholders to express their opinions and ask questions related to the company's affairs to the board of directors.
9. As of February 27, 2026, the company's free float ratio is 15.31%, which is in line with the Stock Exchange's criteria.

Reference link for the policy, guidelines and measures : <https://investor.poscothainox.com/en/shareholder-related-to-shareholders-information/rights-of-shareholders>

## Employee

The company treats all employee complying to the labor law. The Company also concerns about human right, and Safety, Occupational Health, and Working Environment as describe in related policies.

Reference link for the policy, guidelines and measures : <http://www.poscothainox.com/about-sustainability.php>  
related to employee

## Suppliers

### Supplier code of conduct

POSCO-THAINOX operates business in line with applicable national and international laws, with integral stipulations and guidelines. POSCO-THAINOX expects all suppliers and their subcontractors (collectively, "Supplier") to share these values and act accordingly. POSCO-THAINOX Supplier Code of Conduct ("Code of Conduct") sets out the details of the basic principles that Supplier must comply with in conducting various business activities, including commitments to a safe workplace environment, the treatment of workers with dignity and respect, and moral and ethical business management. The Code of Conduct encompasses the areas of Labor, Health and Safety, Environment, Ethics, and Management System. It is based on Responsible Business Alliance Code of Conduct ver.8.0. In the event of a conflict between the Code of Conduct and local laws, the more stringent standard will apply.

Reference link for the policy, guidelines and measures : [http://www.poscothainox.com/document/  
related to suppliers Supplier\\_code\\_of\\_conduct\\_EN.pdf](http://www.poscothainox.com/document/related_to_suppliers_Supplier_code_of_conduct_EN.pdf)

## 6.2 Business code of conduct

### Business code of conduct

Business code of conduct : Yes

#### Code of Conduct

The company has a code of conduct that applies to all employees, as well as contractors, sub-contractors, representatives, and consultants of the company. The principles are as follows:

##### 1. Fundamental Responsibility of the Company

The company must operate on the basis of honesty and orderly management, with the aim of developing and growing together with stakeholders in all areas, while continuously innovating to sustainably increase the overall value of the organization. This should be coupled with promoting ethics to become a company that business partners want to work with, investors want to invest in, and people want to work for.

##### 2. Mission to Customers

The company places the utmost importance on delivering the highest quality products and services to customers, in order to gain their trust in selecting the company's products and providing accurate information.

##### 3. Mission to Business Partners and Stakeholders

The company will establish a free trade system based on mutual trust, maintain and protect information, and comply with agreements and relevant laws, while developing relationships with business partners and stakeholders to mutually benefit and grow together through fair trade conditions and sustainable expansion of the business chain.

##### 4. Mission to Shareholders and Investors

The company will create the ability to profit through transparent and efficient management, while continuously and sustainably increasing the organization's value through innovation and respecting the rights of shareholders and investors by fully disclosing information in a timely manner, enabling them to make informed decisions efficiently.

##### 5. Mission to Employees

The Company will respect their ideas and provide them with opportunities to fully utilize their potential, ensure equal opportunities for all employees regardless of gender, age, ethnicity, religion, education, or other irrelevant factors, and promote a corporate culture of trust and mutual understanding. The Company also focuses on employees' personal and professional development by balancing their personal and work life, providing opportunities for education and career advancement, evaluating performance and fairly compensating employees, and promoting open communication to create a positive work environment.

##### 6. Mission to Nation and Society

The Company will conduct its business in compliance with the laws of each relevant country, act as a responsible citizen for the society, respect local customs and culture, and contribute to the prosperity and growth of the community.

##### 7. Mission to Protecting and Conserving the Environment and Biodiversity

The Company will establish an effective and friendly environmental risk management system, evaluate the environmental impact of its business activities, and raise awareness among all stakeholders of the impact of the environment. The Company is committed to reducing the release of pollutants to the minimum level, using environmentally friendly production processes and appropriate technologies, preventing pollution, reducing carbon emissions, minimizing the use of fossil fuels or materials from fossil fuels, reducing greenhouse gas emissions, using energy efficiently, and conserving biodiversity.

#### Policy and guidelines related to business code of conduct

Guidelines related to business code of conduct : Prevention of conflicts of interest, Anti-corruption, Whistleblowing and Protection of Whistleblowers, Gift giving or receiving, entertainment, or business hospitality

### **Prevention of conflicts of interest**

The Company has established principles for preventing conflicts of interest which is also mentioned in the Code of Conduct.

### **Anti-corruption**

#### **Anti-Corruption Policies of the Company**

The company continues to operate under the principles of good governance and transparency. The company has been certified as a member of the Thai Private Sector Anti-Corruption Coalition. In this regard, at the meeting of the Coalition Committee (CAC) for the 2nd quarter of 2022, it was resolved to certify the company. Is a member of the Thai Private Sector Anti-Corruption Coalition, Effective from September 30, 2022. However, since the company's largest shareholder is Posco (South Korea), which holds 74.56% of the company's shares, the company is classified as a subsidiary of Posco, which is a registered company in the New York Stock Exchange. Therefore, the company must comply with the U.S. Foreign Corrupt Practices Act (FCPA) regarding anti-corruption in various forms, which has a higher standard than Thailand's law.

- The Company will focus on measures to prevent any actions that violate the FCPA law by providing training to all executives and employees of the company and emphasizing the importance of ethics. This will be done through one-on-one training sessions, as well as disseminating information on new ethical standards for employees to study.
- Posco (South Korea) will participate in training and verifying the company, adhering to the FCPA law compliance guidelines.
- A manual for complying with the FCPA law will be provided for employees to use as a reference for a company-wide plan for ethical practices across the global Posco network.
- Senior executives of the company are expected to lead in combating corruption and complying with the FCPA law.

The company has arranged for regular training and communication of policies and practices to combat corruption to all employees on a quarterly basis.

### **Whistleblowing and Protection of Whistleblowers**

#### **Whistleblower Policy**

In addition to complying with the FCPA, the company has established standards and ethical practices for employees to follow, regardless of whether it involves receiving money or other valuable items, such as certification, convenience benefits, gift giving, expressing congratulations or condolences, responding to complaints or suggestions, conducting financial transactions with stakeholders, receiving support for activities, using budgets, protecting data and assets, and complying with anti-corruption laws. This is to ensure that employees are aware of their own ethics and morality, and to help monitor misconduct within the organization. The policy applies to all members of the company, including executives, officers, employees, temporary employees, and all employees under contract.

- To provide employees with opportunities to report and complain to management about any violation or violation of laws, regulations, or company policies, especially acts of fraud, deception, misconduct, sexual harassment, or any similar offense that damages the organization.
- To create a good working environment for employees and to support reporting of actions that may cause harm to the company.
- To reduce the likelihood of wrongdoing and to prevent and combat misconduct from the outset.

- To establish necessary requirements as a protective and preventive tool to protect employees from threats and harassment, or from being victims of unfair acts.

The company has established procedures for receiving and processing complaints, requiring employees who witness or become aware of any incidents to report the details as specified and notify the company's responsible complaint officer. The company also has a procedure for protecting employees who submit complaints to the company by keeping the complainant's name confidential, allowing the complainant to receive protection and be ready to protect the company's interests.

Currently, the HR manager, the head of the HR team, and the internal audit manager are authorized to access the complaint center. The responsible person will then investigate and seek opinions from senior management who are not involved in the wrongdoing or are not directly responsible for the accused person, and consider appropriate punishment according to the company's regulations. The complainant has the right to receive rewards according to the company's regulations and as deemed appropriate by the company.

In addition, stakeholders or external individuals who have suffered losses can submit complaints to the company's board of directors by notifying the board of directors in writing and sending them to the company's address or by sending details of the wrongdoing to [whistleblower@poscothainox.com](mailto:whistleblower@poscothainox.com). The company will keep the complainant's name and information confidential.

#### **Gift giving or receiving, entertainment, or business hospitality**

The Company's Code of ethic determines Restrictions on the provision and acceptance of valuables, concerning hospitality, concerning convenience, concerning congratulatory and condolence money.

Reference link for gift giving or receiving, entertainment, or : [http://www.poscothainox.com/document/251204\\_Refraining%20from%20giving%20gifts%20TH.pdf](http://www.poscothainox.com/document/251204_Refraining%20from%20giving%20gifts%20TH.pdf)  
business hospitality

#### **Participation in anti-corruption networks**

Participation or declaration of intent to join anti-corruption : Yes  
networks

Anti-corruption networks or projects the company has : Thai Private Sector Collective Action Against  
joined or declared intent to join Corruption (CAC)  
CAC membership certification status : Certified

## 6.3 Material changes and developments in policy and corporate governance system

over the past year

### 6.3.1 Material changes and developments related to the review of policy and guidelines in corporate governance system or board of directors' charter

In the past year, did the company review the corporate : No  
governance policy and guidelines, or board of directors'  
charter

Material changes and developments in policy and : No  
guidelines over the past year

### 6.3.2 Implementation of the CG Code for listed companies

Implementation of the CG Code as prescribed by the SEC : Fully implement

The principles of good corporate governance for listed companies (CG Code) serve as guidelines to promote transparency, accountability, and sustainability in the operations of listed companies. The key principles are as follows:

1. Rights of Shareholders: Companies should respect and protect the rights of shareholders, including providing clear and transparent information about the company's operations and performance.
2. Treatment of Stakeholders: Companies should have clear policies for treating all stakeholders, such as customers, employees, suppliers, and the community.
3. Disclosure of Information: Companies should disclose important and relevant information about their operations transparently, allowing shareholders and stakeholders to make informed decisions.
4. Internal Control: Companies should have effective internal control systems to prevent fraud and manage risks.
5. Board of Directors: The board of directors should be independent and diverse to ensure unbiased and effective decision-making.
6. Performance Evaluation: Companies should regularly evaluate their performance to improve and develop their working processes.
7. Ethics and Responsibility: Companies should promote ethical business practices and be responsible towards society and the environment.

Implementing these principles will help build trust among shareholders and stakeholders and promote the sustainable growth of the company in the long term.

### 6.3.3 Other corporate governance performance and outcomes

#### 1. Transparency in Information Disclosure:

Companies that disclose financial information and other important data clearly and in a timely manner will help increase confidence among investors and stakeholders.

**Example:** Preparing an annual report that includes clear information on operations and financial performance.

#### 2. Shareholder Engagement:

Companies that regularly hold shareholder meetings and provide opportunities for shareholders to express their opinions will help build a good relationship between the company and its shareholders.

**Example:** Organizing an annual shareholder meeting that includes discussions on strategy and performance.

#### 3. Human Resource Development:

Companies that invest in human resource development, such as training and skill development, will enhance work efficiency.

**Example:** Organizing training programs for employees to develop necessary skills.

#### 4. Social and Environmental Responsibility:

Companies with policies and activities that promote social and environmental responsibility will gain recognition from society.

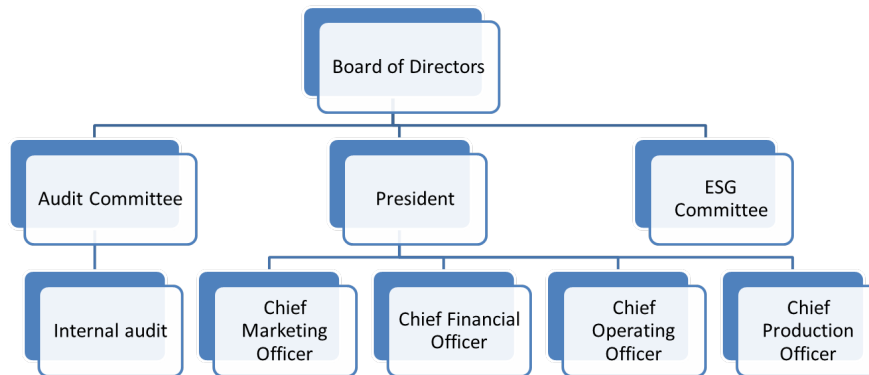
**Example:** Implementing CSR (Corporate Social Responsibility) projects, such as supporting education in the community.

## 7. Corporate governance structure and significant information related to the board of directors, subcommittees, executives, employees, and others

### 7.1 Corporate governance structure

Corporate governance structure diagram

Corporate governance structure diagram



## 7.2 Information on the board of directors

### 7.2.1 Composition of the board of directors

	Number (persons)	Percent (%)
<b>Total directors</b>	<b>8</b>	<b>100.00</b>
Male directors	8	100.00
Female directors	0	0.00
Executive directors	3	37.50
Non-executive directors	5	62.50
Independent directors	3	37.50
Non-executive directors who have no position in independent directors	2	25.00

### 7.2.2 The information on each director and controlling person

#### List of the board of directors

List of directors	Position	First appointment date of director	Skills and expertise
1. Mr. JAE SUNG YOON Gender: Male Age : 38 years Highest level of education : Bachelor's degree Study field of the highest level of education : Economics Thai nationality : No Residence in Thailand : Yes Family relationship between directors and executives : Doesn't Have Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have DAP course : No DCP course : No	Director (Executive Directors)  Authorized directors as per the company's certificate of registration : Yes  Type of director : Existing director	22 Dec 2022	Economics

List of directors	Position	First appointment date of director	Skills and expertise
<p>2. Mr. CHALERMCHAI MAHAGITSIRI</p> <p>Gender: Male</p> <p>Age : 47 years</p> <p>Highest level of education : Master's degree</p> <p>Study field of the highest level of education : Finance</p> <p>Thai nationality : Yes</p> <p>Residence in Thailand : Yes</p> <p>Family relationship between directors and executives : Doesn't Have</p> <p>Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have</p> <p>DAP course : Yes</p> <p>DCP course : Yes</p> <p><b>Shareholding in a company</b></p> <ul style="list-style-type: none"> <li>• Direct shareholding : 789,570,000 Shares (10.128264 %)</li> </ul>	<p>Director (Non-executive directors)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Existing director</p>	21 Apr 2004	Business Administration
<p>3. Mr. TAE HYUNG KANG</p> <p>Gender: Male</p> <p>Age : 57 years</p> <p>Highest level of education : Master's degree</p> <p>Study field of the highest level of education : Materials Science</p> <p>Thai nationality : No</p> <p>Residence in Thailand : Yes</p> <p>Family relationship between directors and executives : Doesn't Have</p> <p>Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have</p> <p>DAP course : No</p> <p>DCP course : No</p>	<p>Director (Executive Directors)</p> <p>Authorized directors as per the company's certificate of registration : Yes</p> <p>Type of director : Newly appointed director to replace the ex-director</p>	8 Jan 2025	Industrial Materials & Machinery

List of directors	Position	First appointment date of director	Skills and expertise
<p>4. Mr. DO SOON KIM</p> <p>Gender: Male</p> <p>Age : 63 years</p> <p>Highest level of education : Master's degree</p> <p>Study field of the highest level of education : Business Administration</p> <p>Thai nationality : No</p> <p>Residence in Thailand : Yes</p> <p>Family relationship between directors and executives : Doesn't Have</p> <p>Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have</p> <p>DAP course : No</p> <p>DCP course : No</p>	<p>Chairman of the board of directors</p> <p>(Non-executive directors, Independent director)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Continuing director (Full term of directorship and being re-appointed as a director)</p>	12 May 2023	Business Administration
<p>5. Mr. BOONYARIT KALAYANAMIT</p> <p>Gender: Male</p> <p>Age : 64 years</p> <p>Highest level of education : Master's degree</p> <p>Study field of the highest level of education : Economics</p> <p>Thai nationality : Yes</p> <p>Residence in Thailand : Yes</p> <p>Family relationship between directors and executives : Doesn't Have</p> <p>Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have</p> <p>DAP course : Yes</p> <p>DCP course : No</p>	<p>Director</p> <p>(Non-executive directors, Independent director)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Existing director</p>	12 May 2023	Economics

List of directors	Position	First appointment date of director	Skills and expertise
<p>6. Mr. YOUNG EUN KIM</p> <p>Gender: Male</p> <p>Age : 50 years</p> <p>Highest level of education : Bachelor's degree</p> <p>Study field of the highest level of education : Computer Science</p> <p>Thai nationality : No</p> <p>Residence in Thailand : No</p> <p>Family relationship between directors and executives : Doesn't Have</p> <p>Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have</p> <p>DAP course : No</p> <p>DCP course : No</p>	<p>Director (Non-executive directors)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Newly appointed director not being replaced the ex-director</p>	8 Jan 2025	Marketing
<p>7. Mr. NARUCHA RUCHUPHAN</p> <p>Gender: Male</p> <p>Age : 60 years</p> <p>Highest level of education : Master's degree</p> <p>Study field of the highest level of education : Engineering</p> <p>Thai nationality : Yes</p> <p>Residence in Thailand : Yes</p> <p>Family relationship between directors and executives : Doesn't Have</p> <p>Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have</p> <p>DAP course : No</p> <p>DCP course : No</p>	<p>Director (Non-executive directors, Independent director)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Newly appointed director not being replaced the ex-director</p>	7 Nov 2025	Engineering

List of directors	Position	First appointment date of director	Skills and expertise
8. Mr. SEONG HWAN KWON Gender: Male Age : 48 years Highest level of education : Master's degree Study field of the highest level of education : Business Administration Thai nationality : No Residence in Thailand : Yes Family relationship between directors and executives : Doesn't Have Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have DAP course : No DCP course : No	Director (Executive Directors)  Authorized directors as per the company's certificate of registration : Yes  Type of director : Newly appointed director to replace the ex-director	19 Dec 2025	Business Administration

Additional explanation :

(\*) Any offense under the Securities and Exchange Act B.E. 2535 (1992) or the Derivatives Act B.E. 2546 (2003), only in the following cases:

(1) Dishonest act or gross negligence

(2) Disclosure or dissemination of false information or statements that may be misleading or conceal material facts that should be notified, which may affect decision making of shareholders, investors or other parties involved

(3) Unfair acts or exploitation of investors in trading securities or derivatives, or participation in, or support to, such acts.

(\*\*) Shareholdings by persons related to directors or executives as prescribed in Section 59 of the Securities and Exchange Act B.E. 2535 (1992), such as spouses or cohabiting couple (unmarried couples living together openly), minor children, etc.

#### List of board of directors who resigned / vacated their position during the year

List of directors	Position	Date of resignation / termination	Replacement director

List of directors	Position	Date of resignation / termination	Replacement director
<p>1. Mr. HYEONG GU SHIN</p> <p>Gender: Male</p> <p>Age : 58 years</p> <p>Highest level of education : Master's degree</p> <p>Study field of the highest level of education : Business Administration</p> <p>Thai nationality : No</p> <p>Residence in Thailand : Yes</p> <p>Family relationship between directors and executives : Doesn't Have</p> <p>Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have</p> <p>DAP course : No</p> <p>DCP course : No</p>	<p>Director (Executive Directors)</p> <p>Authorized directors as per the company's certificate of registration : Yes</p>	2 Jan 2025	-
<p>2. Mr. HOYOUNG KIM</p> <p>Gender: Male</p> <p>Age : 51 years</p> <p>Highest level of education : Below a bachelor's degree</p> <p>Study field of the highest level of education : Economics</p> <p>Thai nationality : No</p> <p>Residence in Thailand : No</p> <p>Family relationship between directors and executives : Doesn't Have</p> <p>Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have</p> <p>DAP course : No</p> <p>DCP course : No</p>	<p>Director (Non-executive directors)</p> <p>Authorized directors as per the company's certificate of registration : No</p>	2 Jan 2025	-

List of directors	Position	Date of resignation / termination	Replacement director
<p>3. Mr. SHINYA OZONO</p> <p>Gender: Male</p> <p>Age : 43 years</p> <p>Highest level of education : Bachelor's degree</p> <p>Study field of the highest level of education : Law</p> <p>Thai nationality : No</p> <p>Residence in Thailand : No</p> <p>Family relationship between directors and executives : Doesn't Have</p> <p>Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have</p> <p>DAP course : No</p> <p>DCP course : No</p>	<p>Director (Non-executive directors)</p> <p>Authorized directors as per the company's certificate of registration : No</p>	1 Apr 2025	-
<p>4. Mr. SONGSAK LIMBANYEN</p> <p>Gender: Male</p> <p>Age : 74 years</p> <p>Highest level of education : Bachelor's degree</p> <p>Study field of the highest level of education : Engineering</p> <p>Thai nationality : Yes</p> <p>Residence in Thailand : Yes</p> <p>Family relationship between directors and executives : Doesn't Have</p> <p>Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have</p> <p>DAP course : Yes</p> <p>DCP course : No</p>	<p>Director (Non-executive directors, Independent director)</p> <p>Authorized directors as per the company's certificate of registration : No</p>	7 Nov 2025	-

List of directors	Position	Date of resignation / termination	Replacement director
5. Mr. HAK IL KIM Gender: Male Age : 55 years Highest level of education : Bachelor's degree Study field of the highest level of education : Business Administration Thai nationality : No Residence in Thailand : No Family relationship between directors and executives : Doesn't Have Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have DAP course : No DCP course : No	Director (Executive Directors)  Authorized directors as per the company's certificate of registration : Yes	19 Dec 2025	-

Additional explanation :

(\*) Any offense under the Securities and Exchange Act B.E. 2535 (1992) or the Derivatives Act B.E. 2546 (2003), only in the following cases:

(1) Dishonest act or gross negligence

(2) Disclosure or dissemination of false information or statements that may be misleading or conceal material facts that should be notified, which may affect decision making of shareholders, investors or other parties involved

(3) Unfair acts or exploitation of investors in trading securities or derivatives, or participation in, or support to, such acts.

(\*\*) Shareholdings by persons related to directors or executives as prescribed in Section 59 of the Securities and Exchange Act B.E. 2535 (1992), such as spouses or cohabiting couple (unmarried couples living together openly), minor children, etc.

List of the board of directors by position

List of the board of directors	Position	Executive directors	Non-executive directors	Independent directors	Non-executive directors who have no position in independent directors	Authorized directors as per the company's certificate of registration
1. Mr. JAE SUNG YOON	Director	✓				✓
2. Mr. CHALERMCHAI MAHAGITSIRI	Director		✓		✓	
3. Mr. TAE HYUNG KANG	Director	✓				✓
4. Mr. DO SOON KIM	Chairman of the board of directors		✓	✓		
5. Mr. BOONYARIT KALAYANAMIT	Director		✓	✓		
6. Mr. YOUNG EUN KIM	Director		✓		✓	
7. Mr. NARUCHA RUCHUPHAN	Director		✓	✓		
8. Mr. SEONG HWAN KWON	Director	✓				✓
<b>Total (persons)</b>		<b>3</b>	<b>5</b>	<b>3</b>	<b>2</b>	<b>3</b>

## Overview of director skills and expertise

Skills and expertise	Number (persons)	Percent (%)
1. Economics	2	25.00
2. Industrial Materials & Machinery	1	12.50
3. Marketing	1	12.50
4. Engineering	1	12.50
5. Business Administration	3	37.50

## Information about the other directors

The chairman of the board and the highest-ranking : No  
executive are from the same person

The chairman of the board is an independent director : Yes

The chairman of the board and the highest-ranking : No  
executive are from the same family

Chairman is a member of the executive board or taskforce : No

The company appoints at least one independent director : Yes  
to determine the agenda of the board of directors'  
meeting

## The measures for balancing the power between the board of directors and the Management

The measures for balancing the power between the board : Yes  
of directors and the Management

Methods of balancing power between the board of : Appointing an independent director to jointly  
directors and Management consider the agenda of the board of directors'  
meeting

## Balance of Non-Executive Directors

The Company's regulations require that the Board of Directors must have at least 5 members, and as of December 31, 2025, the Company's Board of Directors consisted of 8 members, including 3 employed directors and 5 non-employee directors, which is more than half of the total number of directors. Additionally, there must be at least 3 independent directors

## 7.2.3 Information on the roles and duties of the board of directors

Board charter : Yes

## Scope of duties of the Board of Directors

1. The company's board of directors has the authority and responsibility to manage the company in accordance with the law, objectives, regulations, and resolutions adopted by the shareholders' meeting with integrity and prudence to safeguard the interests of the company.

2. The board reviews and approves the company's vision, mission, and strategies, sets goals, directions, policies, plans, and budgets.
3. The board certifies the accuracy of the company's financial reports and information disclosed to the public.
4. The board considers significant transactions, including those that are abnormal, such as selling the company's assets, expanding operations, increasing investments, and resolving important legal disputes.
5. The board supervises the company's operations based on good governance, ethics, and sustainability, and ensures the existence and disclosure of business ethics and/or a code of conduct for the board, executives, and employees.
6. The board ensures a diverse board structure that covers multiple aspects for the benefit of the company's operations.
7. Provide orientation for new directors.
8. Regularly monitor and ensure attendance of directors at meetings.
9. Support training for directors, executives, and employees of the company to enhance their knowledge in relevant fields.
10. Control and supervise the management and administration of the board of directors according to the policies assigned, except in matters that require approval from the shareholders' meeting, such as increasing or reducing capital, issuing debentures, selling or transferring all or part of the business of the company to others, amending the articles of association or regulations of the company, among others.
11. Consider interrelated transactions and the acquisition and disposal of important assets of the company according to the criteria of the Securities and Exchange Commission and other government agencies.
12. Take care and consider the interests of all stakeholders of the company to avoid conflicts of interest.

### **Powers and Duties of the Chief Executive Officer**

The board of directors of the company has changed the chairman from the CEO to an independent director on August 9, 2022, in accordance with the Good Corporate Governance principle 3.2 for registered companies in 2020, which specifies that the board should choose a suitable person to be the chairman and ensure that the board's composition and operation enable independent decision making.

The following are the guiding principles:

1. The Chairman should be an independent director.
2. The Chairman of the Board of Directors and the CEO have different responsibilities. The Board of Directors should clearly define the roles and responsibilities of the Chairman of the Board of Directors and the CEO. To prevent any individual from having unrestricted authority, the Chairman of the Board of Directors should be distinguished from the CEO.

The Managing Director will not have any authority to conduct business in accordance with the above regulations if the Managing Director and/or any "conflicted person" as defined in the Securities and Exchange Commission and Stock Exchange Commission's Announcement No. 12/2000 regarding the offering and issuance of new shares, dated March 22, 2000 (as amended), may have an exceptional interest or a conflict of interest. However, this exception will not apply if the Managing Director engages in normal course of business of the company.

## 7.3 Information on subcommittees

### 7.3.1 Information on roles of subcommittees

#### Roles of subcommittees

##### Environment, Social and Governance Committee

#### Role

- Sustainability development

#### Scope of authorities, role, and duties

A. Recommend to the Board of Directors overall general strategy with respect to ESG Matters.

B. Oversee the Company's policies, targets, practices, and performance with respect to ESG Matters.

C. Review and monitor major ESG risks, after Risk Management Committee, to ensure that the Company has put in place an effective means of ESG risk management

D. Review and monitor stakeholder engagement and ESG materiality assessment process, after ESG Committee, to ensure that both processes are considered credible and the outcomes are properly identified, prioritized and managed.

E. Oversee the Company's official public disclosures in relation to ESG Matters.

F. Report to the Board of Directors current and emerging topics relating to ESG matters that may affect the business, operations, performance, or public reputation of the Company and its stakeholders then recommend how the Company's policies, practices and disclosures can be adjusted to address those issues.

#### Reference link for the charter

-

### 7.3.2 Information on each subcommittee

## List of audit committee

List of directors	Position	Appointment date of audit committee member	Skills and expertise
<p>1. Mr. DO SOON KIM<sup>(*)</sup></p> <p>Gender: Male</p> <p>Age : 63 years</p> <p>Highest level of education : Master's degree</p> <p>Study field of the highest level of education : Business Administration</p> <p>Thai nationality : No</p> <p>Residence in Thailand : Yes</p> <p>Expertise in accounting information review : Yes</p>	<p>Chairman of the audit committee</p> <p>(Non-executive directors, Independent director)</p> <p>Director type : Existing director</p>	12 May 2023	Business Administration
<p>2. Mr. BOONYARIT KALAYANAMIT<sup>(*)</sup></p> <p>Gender: Male</p> <p>Age : 64 years</p> <p>Highest level of education : Master's degree</p> <p>Study field of the highest level of education : Economics</p> <p>Thai nationality : Yes</p> <p>Residence in Thailand : Yes</p> <p>Expertise in accounting information review : Yes</p>	<p>Member of the audit committee</p> <p>(Non-executive directors, Independent director)</p> <p>Director type : Existing director</p>	12 May 2023	Economics
<p>3. Mr. NARUCHA RUCHUPHAN</p> <p>Gender: Male</p> <p>Age : 60 years</p> <p>Highest level of education : Master's degree</p> <p>Study field of the highest level of education : Engineering</p> <p>Thai nationality : Yes</p> <p>Residence in Thailand : Yes</p> <p>Expertise in accounting information review : No</p>	<p>Member of the audit committee</p> <p>(Non-executive directors, Independent director)</p> <p>Director type : Newly appointed director not being replaced the ex-director</p>	7 Nov 2025	Engineering

Additional explanation :

(\*) Directors with expertise in accounting information review

List of audit committee members who resigned / vacated their position during the year

List of directors	Position	Date of resignation / termination	Replacement committee member
<p>1. Mr. SONGSAK LIMBANYEN</p> <p>Gender: Male</p> <p>Age : 74 years</p> <p>Highest level of education : Bachelor's degree</p> <p>Study field of the highest level of education : Engineering</p> <p>Thai nationality : Yes</p> <p>Residence in Thailand : Yes</p> <p>Expertise in accounting information review : No</p>	<p>Member of the audit committee</p> <p>(Non-executive directors, Independent director)</p>	<p>7 Nov 2025</p>	<p>Mr. NARUCHA RUCHUPHAN</p> <p>Appointment date of replacement committee member : 7 Nov 2025</p>

Additional explanation :

(\*) Directors with expertise in accounting information review

#### List of executive committee members

List of directors	Position	Appointment date of executive committee member
<p>1. Mr. TAE HYUNG KANG</p> <p>Gender: Male</p> <p>Age : 57 years</p> <p>Highest level of education : Master's degree</p> <p>Study field of the highest level of education : Materials Science</p> <p>Thai nationality : No</p> <p>Residence in Thailand : Yes</p>	The chairman of the executive committee	8 Jan 2025
<p>2. Mr. JAE SUNG YOON</p> <p>Gender: Male</p> <p>Age : 38 years</p> <p>Highest level of education : Bachelor's degree</p> <p>Study field of the highest level of education : Economics</p> <p>Thai nationality : No</p> <p>Residence in Thailand : Yes</p>	Member of the executive committee	22 Dec 2022
<p>3. Mr. SEONG HWAN KWON</p> <p>Gender: Male</p> <p>Age : 48 years</p> <p>Highest level of education : Master's degree</p> <p>Study field of the highest level of education : Business Administration</p> <p>Thai nationality : No</p> <p>Residence in Thailand : Yes</p>	Member of the executive committee	19 Dec 2025

#### List of executive committee members who resigned / vacated their position during the year <sup>(1)</sup>

Mr. Hak Il Kim

Remark : <sup>(1)</sup> Due to the expiration of the term.

## Other Subcommittees

Subcommittee name	Name list	Position
Environment, Social and Governance Committee	Mr. DO SOON KIM	The chairman of the subcommittee (Independent director)
	Mr. JAE SUNG YOON	Member of the subcommittee
	Mr. TAE HYUNG KANG	Member of the subcommittee
	Mr. SEONG HWAN KWON	Member of the subcommittee

## List of subcommittees who resigned / vacated their position during the year

Subcommittee name	Name list	Position	Termination date	Replacement committee member
Environment, Social and Governance Committee	1. Mr. HAK IL KIM	Member of the subcommittee	19 Dec 2025	Mr. SEONG HWAN KWON  Appointment date of replacement committee member : 19 Dec 2025
	2. Mr. HYEONG GU SHIN	Member of the subcommittee	2 Jan 2025	Mr. TAE HYUNG KANG  Appointment date of replacement committee member : 8 Jan 2025

## 7.4 Information on the executives

### 7.4.1 List and positions of the executive

List of the highest-ranking executive and the next four executives

List of executives	Position	First appointment date	Skills and expertise
<p>1. Mr. TAE HYUNG KANG</p> <p>Gender: Male</p> <p>Age : 57 years</p> <p>Highest level of education : Master's degree</p> <p>Study field of the highest level of education : Materials Science</p> <p>Thai nationality : No</p> <p>Residing in Thailand : Yes</p> <p>Highest responsibility in corporate accounting and finance : No</p> <p>Accounting supervisor : No</p>	<p>President</p> <p>(The highest-ranking executive)</p>	8 Jan 2025	Industrial Materials & Machinery
<p>2. Mr. JAE SUNG YOON<sup>(*)(**)</sup></p> <p>Gender: Male</p> <p>Age : 38 years</p> <p>Highest level of education : Bachelor's degree</p> <p>Study field of the highest level of education : Economics</p> <p>Thai nationality : No</p> <p>Residing in Thailand : Yes</p> <p>Highest responsibility in corporate accounting and finance : Yes</p> <p>Accounting supervisor : Yes</p>	Chief Financial Officer	28 Nov 2022	Economics

List of executives	Position	First appointment date	Skills and expertise
3. Mr. SEON YEOL LEE Gender: Male Age : 46 years Highest level of education : Bachelor's degree Study field of the highest level of education : Engineering Thai nationality : No Residing in Thailand : Yes Highest responsibility in corporate accounting and finance : No Accounting supervisor : No	CHIEF PRODUCTION OFFICER	31 Mar 2025	Engineering
4. Mr. Kyung Sueb Shin Gender: Male Age : 40 years Highest level of education : Bachelor's degree Study field of the highest level of education : Business Administration Thai nationality : No Residing in Thailand : Yes Highest responsibility in corporate accounting and finance : No Accounting supervisor : No	CHIEF OPERATION OFFICER	1 Aug 2023	Business Administration
5. Mr. SEONG HWAN KWON Gender: Male Age : 48 years Highest level of education : Master's degree Study field of the highest level of education : Business Administration Thai nationality : No Residing in Thailand : Yes Highest responsibility in corporate accounting and finance : No Accounting supervisor : No	CHIEF MARKETING OFFICER	19 Dec 2025	Business Administration

Additional Explanation :

(\*) Highest responsibility in corporate accounting and finance

(\*\*) Accounting supervisor

(\*\*\*) Appointed after the fiscal year end of the reporting year

## 7.4.2 Remuneration policy for executive directors and executives

### Total Compensation of the Company's Board of Directors

The company will consider compensation by comparing and referencing with other registered companies in the securities market and within the same or related industries, as well as considering the company's performance and the current economic situation. In 2025, the compensation and bonus for the Board of Directors are as follows:

1. Board members will receive a meeting fee of 35,000 baht per month, and the five board members have waived the right to receive compensation in this regard since taking office. In 2024, all board members received a total meeting fee of 1,680,000baht.
2. Board members are entitled to receive a bonus for the past year's performance, approved by the shareholder meeting, in accordance with the company's Article 23.

For the performance in 2025, the Board of Directors will propose to the shareholder meeting to approve a bonus for each board member not exceeding 350,000 baht, based on the proportion of attendance at the board meetings. In the past year, there were a total of 6 board meetings.

In addition, independent directors/audit committee members are entitled to an additional special bonus of 50,000 baht per year.

All board members are eligible for a bonus only when they hold a position as a board member in 2025 and continue to hold the position until the shareholder meeting approves the bonus. Apart from the aforementioned, there will be no other benefits.

## 7.4.3 Remuneration of executive directors and executives

### Monetary remuneration of executive directors and executives

	2023	2024	2025
<b>Total remuneration of executive directors and executives (baht)</b>	77,323,780.39	78,712,165.42	73,394,141.00

### Other remunerations of executive directors and executives

	2023	2024	2025
Employee Stock Ownership Plan (ESOP)	No	No	No
Employee Joint Investment Program (EJIP)	No	No	No

### Outstanding remuneration or benefits of executive directors and executives

Outstanding remuneration or benefits of executive : 0.00

directors and executives in the past year <sup>(1)</sup>

Remark : <sup>(1)</sup> All Executive Directors have waived their right to receive board member remuneration on the date of their appointment.

## 7.5 Information on employees

### Information on the company's employees

#### Employees

	2023	2024	2025
<b>Total employees</b> (persons)	550	546	532
Male employees (persons)	450	446	430
Female employees (persons)	100	100	102

#### Number of employees by position and department

##### Number of male employees by position

	2023	2024	2025
Total number of male employees in operational level (Persons)	348	407	402
Total number of male employees in management level (Persons)	61	31	20
Total number of male employees in executive level (Persons)	41	8	8

##### Number of female employees by position

	2023	2024	2025
Total number of female employees in operational level (Persons)	81	78	78
Total number of female employees in management level (Persons)	16	22	20
Total number of female employees in executive level (Persons)	3	0	4

#### Significant changes in the number of employees

Significant changes in number of employees over the past : No

3 Years

## Information on employee remuneration

### Employee remuneration

	2023	2024	2025
<b>Total employee remuneration (baht)</b>	453,133,556.00	456,740,351.00	473,918,063.00
Total male employee remuneration (Baht)	355,441,410.00	355,132,276.00	364,034,456.00
Total female employee remuneration (Baht)	97,692,146.00	101,608,075.00	109,883,607.00

## Information on provident fund management

### Provident fund management policy

Provident fund management policy : Yes

For the purpose of helping support and promote employee savings for the future when they retire or leave the company and to provide a contribution for employees who have worked for the company for a long time, the company has established a provident fund for employees where employees can choose the proportion of their savings as desired at 4%, 5%, 6%, 8%, 10% and 15% and the company's contribution, with the contribution proportion in accordance with the company's rules and regulations.

The employee may choose the investment policy as below;

1. F100 allocate 100% to Fixed-income Investment Policy
2. ME100 allocate 100% to Mixed Investment Policy (Fixed Income + Equity < 20%)
3. F60 : E40 allocate 60% to Fixed-income Investment Policy and 40% to Equity Investment Policy
4. F40 : E60 allocate 40% to Fixed-income Investment Policy and 60% to Equity Investment Policy
5. F20 : E80 allocate 20% to Fixed-income Investment Policy and 80% to Equity Investment Policy
6. F100 allocate 100% to Equity Investment Policy

### Overview of methods for determining employee and employer contribution Rates

#### Participation in provident fund membership (PVD)

#### Details of provident fund participation (PVD)

**Number of employees eligible to participate in PVD**

	2023	2024	2025
Number of employees eligible to participate in PVD (persons)	550	546	532
Number of employees joining in PVD (persons)	428	423	377
Total amount of provident fund contributed by the company (%)	77.82	77.47	70.86
Number of PVD members / Total eligible employees (%)	77.82	77.47	70.86

**Amount of provident fund**

	2023	2024	2025
Total amount of provident fund contributed by employer (baht)	12,756,598.00	12,733,646.00	12,789,177.00

**Summary of employee PVD participation over the past year**

Company name	Employees participating in PVD (Yes/ No)	Total number of employees (persons)	Number of employees eligible to participate in PVD (persons)	Number of employees joining in PVD (persons)	Number of PVD members / Total employees (%)	Number of PVD members / Total eligible employees (%)
POSCO-THAINOX PUBLIC COMPANY LIMITED	Yes	532	532	377	70.86%	70.86%

**Policy and guidelines on promoting savings through the provident fund for non-participating employees**

## 7.6 Other significant information

### 7.6.1 Assigned person

#### List of persons assigned for accounting oversight

General information	Email	Telephone number
1. Ms. Pattamika Dee-In	pattamika@poscothainox.com	-

#### List of the company secretary

General information	Email	Telephone number
1. Ms. Yaowapha Komaintaksin	investorrelations@poscothainox.com	-

#### List of the head of internal audit or outsourced internal auditor

General information	Email	Telephone number
1. Mr. Seung-in Choi	sichoi_th@poscothainox.com	-

### 7.6.2 Head of investor relations

Does the Company have an appointed head of investor : No  
relations

#### List of the head of investor relations

### 7.6.3 Company's auditor

#### Details of the company's auditor <sup>(1)</sup>

Audit firms	Audit fee (Baht)	Other service fees	Names and general information of auditors
EY OFFICE LIMITED NO. 1875 ONE BANGKOK TOWER 3, LEVEL 34 - 37, RAMA 4 ROAD, LUMPHINI PATHUM WAN Bangkok 10330 Telephone +66 2264 9090	3,050,000.00	-	1. Mr. PORNANAN KITJANAWANCHAI Email: Pornanan.Kitjanawanchai@th.ey.com License number: 7792  2. Ms. WATOO KAYANKANNAVEE Email: Wattoo.Kayankannavee@th.ey.com License number: 5423  3. Ms. KESSIRIN PINPUVADOL

Audit firms	Audit fee (Baht)	Other service fees	Names and general information of auditors
			Email: Kessirin.Pinpuvadol@th.ey.com License number: 7325

Remark : <sup>(1)</sup> Also, non-audit fee (Tax Consultant) which service provided by KPMG Phoomchai Tax Ltd. ("KPMG Tax") in amount of 266,000 Baht.

#### 7.6.4 Assigned personnel in case of a foreign company

Does the company have any individual assigned to be : No  
representatives in Thailand

List of designated individuals as representatives in Thailand

## 8. Report on key operating results on corporate governance

### 8.1 Summary of duty performance of the board of directors over the past year

#### Summary of duty performance of the board of directors over the past year

The board of directors plays a crucial role that can enhance the organization's competitive capabilities. This can be summarized as follows:

1. **Enhancing Efficiency:** The board is responsible for regularly reviewing and evaluating the organization's performance to ensure that available resources are utilized effectively and yield the best results. This evaluation helps improve work processes and increase productivity.
2. **Overseeing Internal Control Systems:** The board must ensure that there are adequate internal control systems in place, which will help prevent risks and fraud. Having a good control system ensures that the organization's operations run smoothly and are reliable.
3. **Providing Valuable Insights:** The board can offer advice and valuable opinions for the organization's development by leveraging their experience and knowledge in making important decisions. These insights can help make planning and operations more effective.

#### 8.1.1 Selection, development and evaluation of duty performance of the board of directors

##### Information about the selection of the board of directors

#### List of directors whose terms have ended and have been reappointed

List of directors	Position	First appointment date of director	Skills and expertise
1. Mr. DO SOON KIM	Chairman of the board of directors (Non-executive directors, Independent director)	12 May 2023	Business Administration

#### List of newly appointed director to replace the ex-director

List of directors	Position	First appointment date of director	Skills and expertise
1. Mr. TAE HYUNG KANG	Director (Executive Directors)	8 Jan 2025	Industrial Materials & Machinery
2. Mr. SEONG HWAN KWON	Director (Executive Directors)	19 Dec 2025	Business Administration

### List of newly appointed director not being replaced the ex-director

List of directors	Position	First appointment date of director	Skills and expertise
1. Mr. YOUNG EUN KIM	Director (Non-executive directors)	8 Jan 2025	Marketing
2. Mr. NARUCHA RUCHUPHAN	Director (Non-executive directors, Independent director)	7 Nov 2025	Engineering

### Selection of independent directors

#### Criteria for selecting independent directors

#### Qualifications of Independent Directors

1. Independence: Must not have financial relationships or any other relationships that could affect independent decision-making.
2. Knowledge and Experience: Should have knowledge and experience relevant to the business or industry in which the company operates.
3. Analytical Ability: Must have the ability to analyze information and make reasoned decisions.
4. Ethics and Integrity: Should possess ethical standards in their work and demonstrate integrity in performing their duties.
5. No Criminal Record: Must not have a criminal record related to fraud or financial misconduct.

**Appointment:** Directors who have been recruited must be elected by the company's board meeting in accordance with the criteria set by the Stock Exchange. The resolution of the board must consist of at least three-fourths of the votes of the remaining directors.

#### Business or professional relationships of independent directors over the past year

Business or professional relationships of independent : No  
directors over the past year

#### Selection of directors and the highest-ranking executive

#### Method for selecting directors and the highest-ranking executive

Method for selecting persons to be appointed as directors : No  
through the nomination committee

Method for selecting persons to be appointed as the : No  
highest-ranking executive through the nomination  
committee

## Number of directors from major shareholders

Number of directors from each group of major : 5  
shareholders over the past year (persons)

## Rights of minority shareholders on director appointment

The Company opens opportunity for shareholders to propose a meeting agenda and to nominate any person to be appointed as the director for the annual general meeting of shareholder in advance, The right of shareholders complies the law.

In annual general meetings, the board of directors will be rotated in groups of three as required by law, and they may be re-elected to serve again. The company provides individual voting for the election of board members, giving shareholders a genuine opportunity to choose the candidates they prefer.

Method of director appointment : Others :The board members must be elected by a resolution with a vote of not less than three-fourths (3/4) of the shareholders present at the meeting and entitled to vote.

## Setting qualifications for the selection of directors <sup>(1)</sup>

### Details of qualifications for the selection of directors

Skill and expertise	Skills and expertise
Experience in working at an executive level or in positions of high responsibility	Economics, Industrial Materials & Machinery, Steel, Marketing, Accounting

Remark : <sup>(1)</sup> 1.Knowledge and Experience:

There should be a selection process that considers knowledge in business management, finance, law, or relevant industries.  
Candidates should have experience working at an executive level or in positions of high responsibility.

2.Skills and Abilities:

Candidates should possess skills in data analysis, decision-making, and problem-solving.  
They should have the ability to communicate effectively and work well with others.

3.Personal Qualities:

Candidates should demonstrate integrity and ethical behavior in their work.  
They should be committed to organizational development and have a clear vision.

4.Diversity:

Consideration should be given to diversity in gender, age, ethnicity, and background to ensure the board has a variety of perspectives and inclusivity.

5.Understanding of Risk:

Candidates should have an understanding of risk management and internal controls to effectively assist in making risk-related decisions.

6.Participation in Board Activities:

Candidates should be willing to regularly participate in board meetings and various activities.

## Information on the development of directors

### Development of directors over the past year

## Details of the development of directors over the past year

List of directors	Participation in training in the past financial year	History of training participation
1. Mr. JAE SUNG YOON (Director)	Non-participating	Other <ul style="list-style-type: none"> <li>• 2023: CFO's ORIENTATION COURSE (English version)</li> </ul>
2. Mr. CHALERMCHAI MAHAGITSIRI (Director)	Non-participating	Thai Institute of Directors (IOD) <ul style="list-style-type: none"> <li>• 2005: Director Certification Program (DCP)</li> </ul>
3. Mr. TAE HYUNG KANG (Director)	Non-participating	-
4. Mr. DO SOON KIM (Chairman of the board of directors, Independent director)	Non-participating	-
5. Mr. BOONYARIT KALAYANAMIT (Director, Independent director)	Non-participating	-
6. Mr. YOUNG EUN KIM (Director)	Non-participating	-
7. Mr. NARUCHA RUCHUPHAN (Director, Independent director)	Non-participating	-

List of directors	Participation in training in the past financial year	History of training participation
8. Mr. SEONG HWAN KWON (Director)	Non-participating	-

## Information on the evaluation of duty performance of directors

### Criteria for evaluating the duty performance of the board of directors

N/A

### Evaluation of the duty performance of the board of directors over the past year

Currently, the company have not conducted an evaluation of the board's performance due to a lack of resources and time for implementation, as well as the short tenure of the executive committee members, which leads to frequent changes. However, we recognize the importance of this evaluation and have plans to develop the evaluation process in the future to effectively assess and improve the board's performance.

### 8.1.2 Meeting attendance and remuneration payment to each board member

## Meeting attendance of the board of directors

### Meeting attendance of the board of directors

Number of the board of directors meeting over the past : 6  
year (times)

Date of AGM meeting : 23 Apr 2025

EGM meeting : No

### Details of the board of directors' meeting attendance

List of directors	Number of Board Meeting			AGM meetings			EGM meetings		
	Meeting attendance (times)	/	Meeting attendance rights (times)	Meeting attendance (times)	/	Meeting attendance rights (times)	Meeting attendance (times)	/	Meeting attendance rights (times)
1. Mr. JAE SUNG YOON (Director)	6	/	6	1	/	1	N/A	/	N/A
2. Mr. CHALERMCHAI MAHAGITSIRI (Director)	5	/	6	0	/	1	N/A	/	N/A

List of directors	Number of Board Meeting			AGM meetings			EGM meetings		
	Meeting attendance (times)	/	Meeting attendance rights (times)	Meeting attendance (times)	/	Meeting attendance rights (times)	Meeting attendance (times)	/	Meeting attendance rights (times)
3. Mr. TAE HYUNG KANG (Director)	5	/	5	1	/	1	N/A	/	N/A
4. Mr. DO SOON KIM (Chairman of the board of directors, Independent director)	6	/	6	1	/	1	N/A	/	N/A
5. Mr. BOONYARIT KALAYANAMIT (Director, Independent director)	6	/	6	1	/	1	N/A	/	N/A
6. Mr. YOUNG EUN KIM (Director)	2	/	5	0	/	1	N/A	/	N/A
7. Mr. NARUCHA RUCHUPHAN (Director, Independent director)	1	/	1	0	/	0	N/A	/	N/A
8. Mr. SEONG HWAN KWON (Director)	0	/	0	0	/	0	N/A	/	N/A
9. Mr. HYEONG GU SHIN (Director)	1	/	1	0	/	0	N/A	/	N/A
10. Mr. HOYOUNG KIM (Director)	0	/	1	0	/	0	N/A	/	N/A
11. Mr. SHINYA OZONO (Director)	2	/	2	0	/	0	N/A	/	N/A
12. Mr. SONGSAK LIMBANYEN (Director, Independent director)	5	/	5	1	/	1	N/A	/	N/A
13. Mr. HAK IL KIM (Director)	6	/	6	1	/	1	N/A	/	N/A

## Summary of the board of directors' meeting attendance rate

List of directors	Board of directors' meeting attendance rate	AGM meeting attendance rate	EGM meeting attendance rate
1. Mr. JAE SUNG YOON (Director)	6/6 (100.00%)	1/1 (100.00%)	N/A
2. Mr. CHALERMCHAI MAHAGITSIRI (Director)	5/6 (83.33%)	N/A	N/A
3. Mr. TAE HYUNG KANG (Director)	5/5 (100.00%)	1/1 (100.00%)	N/A
4. Mr. DO SOON KIM (Chairman of the board of directors, Independent director)	6/6 (100.00%)	1/1 (100.00%)	N/A
5. Mr. BOONYARIT KALAYANAMIT (Director, Independent director)	6/6 (100.00%)	1/1 (100.00%)	N/A
6. Mr. YOUNG EUN KIM (Director)	2/5 (40.00%)	N/A	N/A
7. Mr. NARUCHA RUCHUPHAN (Director, Independent director)	1/1 (100.00%)	N/A	N/A
8. Mr. SEONG HWAN KWON (Director)	N/A	N/A	N/A
9. Mr. HYEONG GU SHIN (Director)	1/1 (100.00%)	N/A	N/A
10. Mr. HOYOUNG KIM (Director)	N/A	N/A	N/A
11. Mr. SHINYA OZONO (Director)	2/2 (100.00%)	N/A	N/A
12. Mr. SONGSAK LIMBANYEN (Director, Independent director)	5/5 (100.00%)	1/1 (100.00%)	N/A
13. Mr. HAK IL KIM (Director)	6/6 (100.00%)	1/1 (100.00%)	N/A
<b>Average meeting attendance rate</b>	<b>(85.28%)</b>	<b>75.00%</b>	<b>N/A</b>

## Detailed justification for the Company director's non-attendance at the Board of Directors' meeting

1. **Personal or Business Commitments:** A board member may have commitments that need to be addressed on the day and time of the meeting, such as meetings with clients or business travel.
2. **Health Issues:** If a board member has health problems or is unwell, they may be unable to attend the meeting.

3. **Changes in Schedule:** A board member's schedule may change, making it impossible for them to attend the meeting.

## Remuneration of the board of directors

### Types of remuneration of the board of directors

#### Total Compensation of the Company's Board of Directors

The company will consider compensation by comparing and referencing with other registered companies in the securities market and within the same or related industries, as well as considering the company's performance and the current economic situation. In 2025, the compensation and bonus for the Board of Directors are as follows:

1) Board members will receive a meeting fee of 35,000 baht per month, and the five board members have waived the right to receive compensation in this regard since taking office. In 2025, all board members received a total meeting fee of 1,680,000 baht.

2) Board members are entitled to receive a bonus for the past year's performance, approved by the shareholder meeting, in accordance with the company's Article 23.

For the performance in 2025, the Board of Directors will propose to the shareholder meeting to approve a bonus for each board member not exceeding 350,000 baht, based on the proportion of attendance at the board meetings. In the past year, there were a total of 5 board meetings.

In addition, independent directors/audit committee members are entitled to an additional special bonus of 50,000 baht per year.

All board members are eligible for a bonus only when they hold a position as a board member in 2025 and continue to hold the position until the shareholder meeting approves the bonus. Apart from the aforementioned, there will be no other benefits.

### Remuneration of the board of directors

#### Details of the remuneration of each director over the past year

Names of directors / Board of directors	Company				Total monetary remuneration from subsidiaries (Baht)
	Meeting allowance	Other monetary remuneration	Total (Baht)	Non- monetary remuneration	
1. Mr. JAE SUNG YOON (Director)			0.00		N/A
Board of Directors (Director)	0.00	0.00	0.00	No	
Executive Committee (Member of the executive committee)	N/A	N/A	N/A	-	

Names of directors / Board of directors	Company				Total monetary remuneration from subsidiaries (Baht)
	Meeting allowance	Other monetary remuneration	Total (Baht)	Non- monetary remuneration	
Environment, Social and Governance Committee (Member of the subcommittee)	N/A	N/A	N/A	-	
<b>2. Mr. CHALERMCHAI MAHAGITSIRI (Director)</b>			<b>711,666.65</b>		<b>N/A</b>
Board of Directors (Director)	420,000.00	291,666.65	711,666.65	No	
<b>3. Mr. TAE HYUNG KANG (Director)</b>			<b>0.00</b>		<b>N/A</b>
Board of Directors (Director)	0.00	0.00	0.00	No	
Executive Committee (The chairman of the executive committee)	N/A	N/A	N/A	-	
Environment, Social and Governance Committee (Member of the subcommittee)	N/A	N/A	N/A	-	
<b>4. Mr. DO SOON KIM (Chairman of the board of directors, Independent director)</b>			<b>770,000.00</b>		<b>N/A</b>
Board of Directors (Chairman of the board of directors)	420,000.00	350,000.00	770,000.00	No	
Audit Committee (Chairman of the audit committee)	N/A	N/A	N/A	-	

Names of directors / Board of directors	Company				Total monetary remuneration from subsidiaries (Baht)
	Meeting allowance	Other monetary remuneration	Total (Baht)	Non- monetary remuneration	
Environment, Social and Governance Committee (The chairman of the subcommittee)	N/A	N/A	N/A	-	
<b>5. Mr. BOONYARIT KALAYANAMIT (Director, Independent director)</b>			<b>770,000.00</b>		<b>N/A</b>
Board of Directors (Director)	420,000.00	350,000.00	770,000.00	No	
Audit Committee (Member of the audit committee)	N/A	N/A	N/A	-	
<b>6. Mr. YOUNG EUN KIM (Director)</b>			<b>0.00</b>		<b>N/A</b>
Board of Directors (Director)	0.00	0.00	0.00	No	
<b>7. Mr. NARUCHA RUCHUPHAN (Director, Independent director)</b>			<b>121,333.33</b>		<b>N/A</b>
Board of Directors (Director)	63,000.00	58,333.33	121,333.33	No	
Audit Committee (Member of the audit committee)	N/A	N/A	N/A	-	
<b>8. Mr. SEONG HWAN KWON (Director)</b>			<b>0.00</b>		<b>N/A</b>
Board of Directors (Director)	0.00	0.00	0.00	No	

Names of directors / Board of directors	Company				Total monetary remuneration from subsidiaries (Baht)
	Meeting allowance	Other monetary remuneration	Total (Baht)	Non- monetary remuneration	
Executive Committee (Member of the executive committee)	N/A	N/A	N/A	-	
Environment, Social and Governance Committee (Member of the subcommittee)	N/A	N/A	N/A	-	
<b>9. Mr. HYEONG GU SHIN (Director)</b>			<b>0.00</b>		<b>N/A</b>
Board of Directors (Director)	0.00	0.00	0.00	No	
Environment, Social and Governance Committee (Member of the subcommittee)	N/A	N/A	N/A	-	
<b>10. Mr. HOYOUNG KIM (Director)</b>			<b>0.00</b>		<b>N/A</b>
Board of Directors (Director)	0.00	0.00	0.00	No	
<b>11. Mr. SHINYA OZONO (Director)</b>			<b>0.00</b>		<b>N/A</b>
Board of Directors (Director)	0.00	0.00	0.00	No	
<b>12. Mr. SONGSAK LIMBANYEN (Director, Independent director)</b>			<b>357,000.00</b>		<b>N/A</b>
Board of Directors (Director)	357,000.00	0.00	357,000.00	No	

Names of directors / Board of directors	Company				Total monetary remuneration from subsidiaries (Baht)
	Meeting allowance	Other monetary remuneration	Total (Baht)	Non- monetary remuneration	
Audit Committee (Member of the audit committee)	N/A	N/A	N/A	-	
<b>13. Mr. HAK IL KIM (Director)</b>			<b>0.00</b>		<b>N/A</b>
Board of Directors (Director)	0.00	0.00	0.00	No	
Environment, Social and Governance Committee (Member of the subcommittee)	N/A	N/A	N/A	-	

#### Summary of the remuneration of each committee over the past year

Names of board members	Meeting allowance	Other monetary remuneration	Total (Baht)
1. Board of Directors	1,680,000.00	1,049,999.98	2,729,999.98
2. Audit Committee	N/A	N/A	N/A
3. Executive Committee	N/A	N/A	N/A
4. Environment, Social and Governance Committee	N/A	N/A	N/A

#### Remunerations or benefits pending payment to the board of directors <sup>(2)</sup>

Remunerations or benefits pending payment to the board : 1,149,999.98

of directors over the past year

(Baht)

Remark : <sup>(2)</sup> Bonuses of all types for the board of directors will be paid only to those directors who hold their positions in the year 2025 until the day of the shareholders' meeting that approves the payment of bonuses.

### 8.1.3 Supervision of subsidiaries and associated companies

#### Mechanism for overseeing subsidiaries and associated companies

Does the Company have subsidiaries and associated : Yes

companies

Mechanism for overseeing subsidiaries and associated : Yes

companies

Mechanism for overseeing management and taking : The appointment of representatives as directors, responsibility for operations in subsidiaries and associated executives, or controlling persons in proportion to companies approved by the board of directors shareholding, The determination of the scope of duties and responsibilities of directors and executives as company representatives in establishing important policies, Transactions between the company and related parties

### Supervision of Joint Company Operations

The principles of appointing the board of directors of NS-Thailand Auto Co., Ltd. ("Joint Company") are as follows:

The Joint Company's board of directors shall be elected by a general meeting of shareholders.

The board of directors shall consist of 5 directors, with 2 directors appointed by a majority vote of Group A shareholders and 3 directors appointed by a majority vote of Group B shareholders.

The board of directors shall select one director appointed by a majority vote of Group A shareholders to be the chairman and one director appointed by a majority vote of Group B shareholders to be the managing director.

The Joint Company, as a member of Group A shareholders, has nominated 2 persons to be directors, with 1 of the 2 nominated persons being the chairman of the board of directors, Mr. Byungchul Yu, and the other person being a director, Mr. Jaesung Yoon.

### 8.1.4 The monitoring of compliance with corporate governance policy and guidelines

#### Prevention of conflicts of interest

##### Operations for conflict of interest prevention over the past year

Has the company operated in preventing conflicts of : No / In Progress

interest over the past year

##### Number of cases or issues related to conflict of interest

	2023	2024	2025
Total number of cases or issues related to conflict of interest (cases)	0	0	0

#### Prevention of the use of inside information to seek benefits

##### Operations for prevention of the use of inside information to seek benefits over the past year

Has the company operated in preventing the use of inside : No / In Progress

information to seek benefits over the past year

## Number of cases or issues related to the use of inside information to seek benefits

	2023	2024	2025
Total number of cases or issues related to the use of inside information to seek benefits (cases)	0	0	0

## Anti-corruption action

### Operations in anti-corruption in the past year

Has the company operated in anti-corruption over the : Yes  
past year

Form of operations in anti-corruption : The participation in anti-corruption projects,  
Communication and training for employees on anti-corruption policy and guidelines, The monitoring of the evaluation of compliance with the anti-corruption policy

POSCO-Thainox Public Company Limited is committed to fighting corruption and has consistently supported the Thai Private Sector Collective Action Against Corruption (CAC) by creating anti-corruption measures before preparing and submitting a self-assessment to the CAC. In light of this, the CAC Committee decided to certify the Company as a member of the CAC at its meeting for the second quarter of 3/2025 (Renew). CAC is a platform for businesses to combat corruption on a voluntary basis through group action, which attracts organizations from the business sector to participate and assist organizations able to establish anti-corruption policies and procedures that will directly affect the risk of bribery issues.

## Number of cases or issues related to corruption

	2023	2024	2025
Total number of cases or issues related to corruption (cases)	0	0	0

## Whistleblowing

### Operations related to whistleblowing over the past year

Has the company implemented whistleblowing : Yes  
procedures over the past year

### Whistleblower Policy

In addition to complying with the FCPA, the company has established standards and ethical practices for employees to follow, regardless of whether it involves receiving money or other valuable items, such as certification, convenience benefits, gift giving, expressing congratulations or condolences, responding to complaints or suggestions, conducting financial transactions with stakeholders, receiving support for activities, using budgets, protecting data and assets, and complying with anti-corruption laws. This is to ensure that employees are aware of their own ethics and morality, and

to help monitor misconduct within the organization. The policy applies to all members of the company, including executives, officers, employees, temporary employees, and all employees under contract.

- To provide employees with opportunities to report and complain to management about any violation or violation of laws, regulations, or company policies, especially acts of fraud, deception, misconduct, sexual harassment, or any similar offense that damages the organization.
- To create a good working environment for employees and to support reporting of actions that may cause harm to the company.
- To reduce the likelihood of wrongdoing and to prevent and combat misconduct from the outset.
- To establish necessary requirements as a protective and preventive tool to protect employees from threats and harassment, or from being victims of unfair acts.

The company has established procedures for receiving and processing complaints, requiring employees who witness or become aware of any incidents to report the details as specified and notify the company's responsible complaint officer. The company also has a procedure for protecting employees who submit complaints to the company by keeping the complainant's name confidential, allowing the complainant to receive protection and be ready to protect the company's interests.

Currently, the HR manager, the head of the HR team, and the internal audit manager are authorized to access the complaint center. The responsible person will then investigate and seek opinions from senior management who are not involved in the wrongdoing or are not directly responsible for the accused person, and consider appropriate punishment according to the company's regulations. The complainant has the right to receive rewards according to the company's regulations and as deemed appropriate by the company.

In addition, stakeholders or external individuals who have suffered losses can submit complaints to the company's board of directors by notifying the board of directors in writing and sending them to the company's address or by sending details of the wrongdoing to [whistleblower@poscothainox.com](mailto:whistleblower@poscothainox.com). The company will keep the complainant's name and information confidential.

#### Number of cases or issues related to whistleblowing

	2023	2024	2025
Total number of cases or issues received through whistleblowing channels (cases)	0	0	0

## 8.2 Report on the results of duty performance of the audit committee in the past year

### 8.2.1 Meeting attendance of audit committee

Meeting attendance of audit committee (times) : 4

List of Directors	Meeting attendance of audit committee			Average percentage meeting attendance
	Meeting attendance (times)	/	Meeting attendance right (times)	
1. Mr. DO SOON KIM (Chairman of the audit committee)	4	/	4	4/4 (100.00%)
2. Mr. BOONYARIT KALAYANAMIT (Member of the audit committee)	4	/	4	4/4 (100.00%)
3. Mr. NARUCHA RUCHUPHAN (Member of the audit committee)	0	/	0	N/A
4. Mr. SONGSAK LIMBANYEN (Member of the audit committee)	4	/	4	4/4 (100.00%)
Average Attendance Rate				100.00%

### 8.2.2 The results of duty performance of the audit committee

In 2025, the audit committee has performances on matters as follows;

- Financial reporting
- Selection of appropriate accounting policies
- Financial management
- Internal control system and internal audit
- Determination of business strategies and policies
- Compliance with relevant regulations and laws
- Management and control of business risks

### 8.3 Summary of the results of duty performance of subcommittees

#### 8.3.1 - 8.3.2 Meeting attendance and the results of duty performance of subcommittees

##### Meeting attendance Executive Committee

Meeting Executive Committee (times) : 52

List of Directors	Meeting attendance Executive Committee			Average Meeting Attendance
	Meeting attendance (times)	/	Meeting attendance right (times)	
1. Mr. TAE HYUNG KANG (The chairman of the executive committee)	52	/	52	52 / 52 (100.00%)
2. Mr. JAE SUNG YOON (Member of the executive committee)	52	/	52	52 / 52 (100.00%)
3. Mr. SEONG HWAN KWON (Member of the executive committee)	1	/	1	1 / 1 (100.00%)
Average Meeting Attendance Rate				100.00%

##### The results of duty performance of Executive Committee

Results of Duties in the Past Year:

1. Policy Formulation: The board of directors is responsible for formulating policies and strategies for the company to align with its vision and mission.
2. Monitoring and Evaluation: The board must monitor the company's performance and evaluate the performance of the management.
3. Resource Management: The board is responsible for managing the company's resources, such as budget and human resources.
4. Communication: The board must communicate with stakeholders, such as shareholders, customers, and employees, to foster understanding and collaboration.
5. Risk Management: The board needs to consider and manage risks that may arise for the company.
6. Organizational Development: The board plays a role in promoting development and innovation within the company.

The results of these duties will be assessed through meetings, performance reports, and internal or external audits to ensure that the board of directors can work effectively and achieve the company's goals.

##### Meeting attendance Environment, Social and Governance Committee

(times)

List of Directors	Meeting attendance Environment, Social and Governance Committee			Average Meeting Attendance
	Meeting attendance (times)	/	Meeting attendance right (times)	
1. Mr. DO SOON KIM (The chairman of the subcommittee, Independent director)	1	/	1	1 / 1 (100.00%)
2. Mr. JAE SUNG YOON (Member of the subcommittee)	1	/	1	1 / 1 (100.00%)
3. Mr. TAE HYUNG KANG (Member of the subcommittee)	1	/	1	1 / 1 (100.00%)
4. Mr. SEONG HWAN KWON (Member of the subcommittee)	0	/	0	N/A
5. Mr. HAK IL KIM (Member of the subcommittee)	1	/	1	1 / 1 (100.00%)
6. Mr. HYEONG GU SHIN (Member of the subcommittee)	0	/	0	N/A
Average Meeting Attendance Rate				100.00%

### The results of duty performance of Environment, Social and Governance Committee

Results of the Duties of the Environmental, Social, and Governance Committee

#### 1. Environmental Performance

##### 1.1 Reuse of Energy and Water to Reduce Consumption

- 1.1.1 Utilized solar energy totaling 245,411 kilowatt-hours (1 million baht) as of September 2025.
- 1.1.2 Saved 3,341 cubic meters of water through a water retention system.

##### 1.2 Improvement of Recycling Processes for Efficiency

- 1.2.1 Achieved a recycling rate of 99%, primarily through the conditioning of sludge and repurposing it as raw material in the cement industry.
- 1.2.2 Used recyclable interleaving paper for the production of grade 300 BA surface products and reduced the temperature in the soft baking zone by 10 degrees Celsius to decrease natural gas usage.

##### 1.3 Government Certification

- 1.3.1 Received the EIA Monitoring Award from the Thai government on September 16, 2025, and is in the process of obtaining GI Level 5 certification.
2. Social Performance
- 2.1 Zero Accidents
- 2.1.1 Reduced redundancy and high-risk tasks, with improvements made in 87 out of 94 cases.
  - 2.1.2 Promoted safety activities by assigning each department to improve in 135 out of 158 cases and create understanding regarding the safety penalty system.
- 2.2 Human Rights - Conducted a comprehensive human rights audit led by POSCO headquarters, following global human rights standards (completed on September 1, 2025, with no significant issues found).
- 2.3 Community Activities
- 2.3.1 Organized Global Volunteer Week (May 22-31) to encourage employee participation in social activities.
  - 2.3.2 Supported the community by donating computers and bulletproof shields to the community in Chanthaburi, installing computer classrooms in local schools, building pavilions for the community, and promoting sustainable income-generating career development.
3. Governance Performance
- 3.1 Supplier ESG Awards Program
- 3.1.1 Evaluated 6 partners and awarded ESG recognition to 5 to promote ESG standards in the supply chain.
  - 3.1.2 Continued the ESG reporting submitted to headquarters since 2023 to emphasize transparency and accountability to shareholders.
- 3.2 Policy and System Improvements
- 3.2.1 Published the ESG policy on the website to emphasize transparency in management, covering ethics, personal data protection, anti-corruption, the ethics charter, quality policy, safety, occupational health, environment, and energy conservation.
- 3.3 Renewal of CAC Membership - Received certification for the renewal of membership in the Thai Private Sector Collective Against Corruption (CAC), effective from 2025 to 2027.

## 9. Internal control and related party transactions

### 9.1 Internal control

#### Summary of the opinion of the board of directors regarding the internal control of the company

The company promotes and prioritizes corporate governance to achieve its goals of sustainable growth, gain investor trust, create long-term value and benefits for stakeholders, and achieve international recognition. The company recognizes the importance of internal controls and risk management systems to ensure efficient and effective business operations and the achievement of its objectives. The purpose of internal controls is to provide reasonable assurance regarding operations, reporting, and regulatory compliance. Furthermore, internal control policies ensure the accuracy, transparency, and auditability of the company's operations, as well as mitigating or preventing potential risks. In addition, the company continuously develops its internal control systems to enhance their effectiveness and efficiency.

The company's board of directors has appointed an Audit Committee composed of three independent directors who are highly qualified and experienced in various fields, and who are independent as required by the Stock Exchange of Thailand. This committee will review the company's financial statements, disclosures, and related party transactions or transactions that may involve conflicts of interest to ensure that such transactions are reasonable and in the best interest of the company. It will also review the adequacy and appropriateness of the company's risk management system, internal control system, and internal audit plan, consider key issues concerning the company's internal controls, and provide recommendations for improvement to the company's management. Furthermore, it will consider, select, propose the appointment or removal of auditors and provide opinions to the board of directors, as well as review and ensure the company complies with the Securities and Exchange Commission Act, the Stock Exchange of Thailand regulations, and other laws related to the company's business.

The company's board of directors has assigned an independent audit committee to review the company's internal control systems to ensure that policies and internal control systems are in place and are adequate.

In 2025, the Audit Committee reviewed the company's internal control system as assigned by the Board of Directors. The committee concluded that, concurrently with the auditors' findings, no significant deficiencies in internal controls were found, and that the internal control system was adequate and appropriate for the company's overall business operations.

#### 9.1.1 Adequacy and appropriateness of the company's internal control system

Company's internal control system : Others : E-SOX

##### E-SOX

The POSCO E-SOX system, designed based on the five elements of the COSO Integrated Internal Control Framework, an international standard, enables us to maintain the following excellent internal control systems:

##### 1. Control Environment

The company adheres to the principles of corporate governance and business ethics, coupled with sustainable business operations based on good governance principles. These are key factors that promote efficient, honest, transparent, and accountable business operations, ensuring fairness to all stakeholders and maximizing shareholder benefits, ultimately leading to sustainable growth. The company has an independent board of directors, separate from management, responsible for overall corporate governance. A corporate governance and business ethics manual has been developed,

prohibiting executives and employees from engaging in conduct that creates conflicts of interest with the company. This manual is communicated to executives, employees, and company representatives as a guideline for their work and responsibilities, and includes penalties for violations. Furthermore, the company has an ESG (Environmental, Social, and Governance) Committee to drive the organization towards its sustainability goals. This committee sets policies and strategies and promotes sustainable development across the entire group within the framework of sustainable development, such as environmental policy, energy policy, sustainable sourcing policy, occupational safety and health and working environment policy, human rights policy, and labor practices policy, etc. In addition, the company has various policies and practices, such as an anti-corruption policy, which are communicated to executives, employees, and company representatives for their awareness and adherence to in performing their duties and responsibilities, with penalties for violations. These manuals are continuously reviewed and updated to align with the company's business operations. The company has clearly defined authority and segregation of duties and responsibilities to ensure efficient work performance among management and employees, with clear monitoring, verification, and evaluation of performance. The company has also received renewed certification as a member of the Thai Private Sector Collective Action Against Corruption (CAC) program, with the certification valid for 3 years from the date of approval.

## 2. Risk Assessment

The company places great importance on and has implemented a comprehensive enterprise-wide risk management system. Risk management is a key component of good corporate governance and helps mitigate risks and negative impacts on the organization, both financially and non-financially. Managing risk to an acceptable level enables effective operational processes, ensuring the best interests and sustainability of the company. To this end, the Internal Audit Department regularly reviews the adequacy and appropriateness of internal controls. A comprehensive audit plan covers critical operational processes and risk reduction measures to ensure that the company's risks are at an acceptable and manageable level.

## 3. Control Activities

The company has clear and appropriate internal control activities, performance indicators as tools for planning and control, and various policies and practices in place, including an anti-corruption policy, guidelines for disclosing conflicts of interest, and a corporate governance and code of conduct manual to guide all employees. A business operations manual is also in place for business partners to ensure transparency and sustainability. The company has policies and procedures that support appropriate internal controls, with clear segregation of duties and responsibilities in various areas. For example, there are procedures regarding approval authority, clearly defined approval limits for different types of transactions by executives, and written procedures that are regularly reviewed. The information technology system also has segregated duties, access control at different levels, password protection, and verifiable data storage. Furthermore, the company has established clear procedures for related party transactions to ensure transparency and the best interests of the company. The internal audit department regularly reviews the adequacy and appropriateness of the internal control system, with audit plans covering critical operational processes. The company also has processes in place to monitor the operations of its subsidiaries to ensure consistency with the company's core business policies.

## 4. Information and Communication

The company places great importance on information and communication systems (ICT). It utilizes information technology to manage and analyze data to aid management decision-making. The company also encourages employees to innovate to improve operational efficiency, reduce costs, and expenses by continuously adopting modern technology to support operations.

Furthermore, the company recognizes the importance of cybersecurity. An ICT policy has been established to ensure that the company's ICT activities comply with business requirements and serve as a guideline for managing, maintaining, and developing secure ICT systems.

In addition, the company has a robust internal communication system to ensure all employees are informed about policies, regulations, announcements, and examples of threats to the company's information through various channels such as the intranet, branch notice boards, email, and IT training. This ensures that all employees receive complete, accurate, and timely information.

Furthermore, the company provides channels for complaints and reporting of illegal activities or suspicious behavior that may indicate corruption or misconduct by individuals within the organization. Reports can be submitted through various channels, including the company's website, mail, or email. The company also maintains appropriate and effective communication channels with external stakeholders, including customer inquiries or complaints regarding the company's products and services, and investor relations for shareholders and investors, all accessible through the company's website. This ensures that stakeholders receive information at all times and gain a better understanding of the company's business operations, including disclosures to the Stock Exchange of Thailand.

## 5. Monitoring

The company has established procedures for monitoring and evaluating the adequacy of its internal control systems. This is carried out by the Internal Audit Department, an independent unit reporting directly to the Audit Committee, which is encouraged to continuously improve its operations to meet international standards.

An annual audit plan is developed to align with the company's strategy and key risks impacting its operations and objectives. The internal audit department provides recommendations for improving operational practices and internal controls and submits quarterly reports on internal control system audits to the Audit Committee. Furthermore, the internal audit department advises various departments to ensure good governance in their processes. In cases of suspicious behavior that may indicate corruption or misconduct by individuals within the organization, where such actions violate laws, regulations, corporate governance principles, or business ethics, the company has a policy and channels for complaints and whistleblowing, reporting directly to the Audit Committee. This includes processes for fact-finding, punishing offenders, and improving work processes to be more rigorous. Management reports progress on improvements to internal control systems and significant issues to the Audit Committee.

### 9.1.2 Deficiencies related to the internal control system

	2023	2024	2025
Total number of deficiencies related to the internal control system (cases)	0	0	0

### 9.1.3 Opinions of the audit committee and auditor's observations on internal control

Does the audit committee have opinions on internal : No  
control different from the board of directors' opinions?

Does the auditor have any observations on the company's : No  
internal control?

### 9.1.4 Opinions of the audit committee on the position of the head of the internal audit unit

Head of the internal audit unit : Internal personnel

The company's board of directors has appointed Mr. Seung-in Choi as an Internal Audit Team Leader to audit the company's operations and report to the Audit Committee, effective April 2022. (The internal audit unit's profile is provided in Attachment 3).

### 9.1.5 Appointment, discharge, and transfer of the head of the internal audit unit

Does the appointment, discharge, and transfer of the head : Yes  
of the internal audit unit require the audit committee  
approval?

## 9.2 Related party transactions

### Related party transactions

Does the company have any related party transactions? : Yes

### 9.2.1 - 9.2.2 Names of the group of persons who may have a conflict of interest, nature of relationship, and information on related party transactions

#### Persons/entities with potential conflicts

Name of person or entity/type of business	Nature of relationship	Information as of date
POSCO Co., Ltd. steel manufacturer	Parent company, 74.56% shareholding	31 Dec 2025
POSCO International Corporation Trading & Investment	Sister company	31 Dec 2025
POSCO Asia Co., Ltd. Service Company	Sister company	31 Dec 2025
POSCO DX Company Ltd. Service company	Sister company	31 Dec 2025
POSCO Group University Service company	Sister company	31 Dec 2025
POSCO (Thailand) Company Limited Trading company	Sister company	31 Dec 2025

Name of person or entity/type of business	Nature of relationship	Information as of date
POSCO VST Co., Ltd. manufactures and sells stainless steel products	Sister company	31 Dec 2025
POSCO Coated Steel (Thailand) Co., Ltd. steel manufacturer	Sister company	31 Dec 2025
NS-Thainox Auto Co., Ltd. Marketing, distribution, and sales of cold-rolled stainless steel products for use in the automotive industry, etc.	An associate, 49% shares held by the Company	31 Dec 2025
Nippon STEEL Corporation steel manufacturer	Sister company, 2.59% shareholding	31 Dec 2025
Posco International (Thailand) Co., Ltd. Trading company	Sister company	31 Dec 2025
POSCO JAPAN Co., Ltd. Steel Company	Sister company	31 Dec 2025
POSCO ASSAN TST Steel Company	Sister company	31 Dec 2025

Name of person or entity/type of business	Nature of relationship	Information as of date
eNtoB Co.,Ltd B2B MRO Procurement Solutions	Sister company	31 Dec 2025
POSCO (BEIJING) TRADING CO., LTD. trading, sales, and distribution of steel products	Sister company	31 Dec 2025
POSCO FLOW HOLDINGS (THAILAND) CO., LTD. Service company	Sister company	31 Dec 2025
POSCO STEELEON Co.,Ltd Steel company	Sister company	31 Dec 2025
Key management personnel -	Being a director and Management of the company	31 Dec 2025

#### Details of related party transactions

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2023	2024	2025
POSCO Co., Ltd.			
<b>Transaction 1</b>	1,797.15	2,043.56	1,652.21
<u>Nature of transaction</u>			

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2023	2024	2025
Accounts Payable <u>Details</u> Outstanding payment for raw materials. <u>Necessity/reasonableness</u> Support normal business <u>Audit committee's opinion</u> Approved by management			
<b>Transaction 2</b>  <u>Nature of transaction</u> Other Payable <u>Details</u> Other service expense <u>Necessity/reasonableness</u> Support normal business <u>Audit committee's opinion</u> Approved by management	15.69	23.34	19.41
<b>Transaction 3</b>  <u>Nature of transaction</u> Purchase of raw materials <u>Details</u> Market Price <u>Necessity/reasonableness</u> Support normal business <u>Audit committee's opinion</u> Approved by management	6,516.49	6,561.87	6,780.21
<b>Transaction 4</b>  <u>Nature of transaction</u>	16.22	27.54	19.41

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2023	2024	2025
Other service expense <u>Details</u> Price based on mutually agreed criteria <u>Necessity/reasonableness</u> Support normal business <u>Audit committee's opinion</u> Approved by management			
<b>Transaction 5</b> <u>Nature of transaction</u> Other income <u>Details</u> Other income <u>Necessity/reasonableness</u> Support normal business <u>Audit committee's opinion</u> Approved by management	-	-	0.36
POSCO International Corporation			
<b>Transaction 1</b> <u>Nature of transaction</u> Trade accounts receivable <u>Details</u> Sale of goods <u>Necessity/reasonableness</u> Support normal business <u>Audit committee's opinion</u> Approved by management	81.72	151.32	34.27
<b>Transaction 2</b>	14.44	31.99	26.81

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2023	2024	2025
<u>Nature of transaction</u> Other receivables <u>Details</u> Accrued from Sale of scrap <u>Necessity/reasonableness</u> Support normal business <u>Audit committee's opinion</u> Approved by management			
<b>Transaction 3</b> <u>Nature of transaction</u> Sale of goods <u>Details</u> Market Price <u>Necessity/reasonableness</u> Support normal business <u>Audit committee's opinion</u> Approved by management	1,738.57	1,336.05	1,524.37
<b>Transaction 4</b> <u>Nature of transaction</u> Sale of scrap <u>Details</u> Market Price <u>Necessity/reasonableness</u> Support normal business <u>Audit committee's opinion</u> Approved by management	260.88	364.93	328.11
<b>Transaction 5</b>	415.18	36.03	61.99

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2023	2024	2025
<u>Nature of transaction</u> Trade accounts payable <u>Details</u> Purchase of raw materials <u>Necessity/reasonableness</u> Support normal business <u>Audit committee's opinion</u> Approved by management			
<b>Transaction 6</b> <u>Nature of transaction</u> Purchase of raw materials <u>Details</u> Market Price <u>Necessity/reasonableness</u> Support normal business <u>Audit committee's opinion</u> Approved by management	5,603.66	4,636.77	4,409.35
POSCO Asia Co., Ltd.			
<b>Transaction 1</b> <u>Nature of transaction</u> Other service expense <u>Details</u> Market Price <u>Necessity/reasonableness</u> Support normal business <u>Audit committee's opinion</u> Approved by management	0.27	0.13	0.04

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2023	2024	2025
<b>Transaction 2</b>  <u>Nature of transaction</u> Other Trade accounts payable  <u>Details</u> Accrued from Other service fee  <u>Necessity/reasonableness</u> Support normal business  <u>Audit committee's opinion</u> Approved by management	0.06	0.00	0.00
POSCO DX Company Ltd.			
<b>Transaction 1</b>  <u>Nature of transaction</u> Other payables  <u>Details</u> Purchase of asset and other service fee  <u>Necessity/reasonableness</u> Support normal business  <u>Audit committee's opinion</u> Approved by management	1.43	1.24	1.14
<b>Transaction 2</b>  <u>Nature of transaction</u> Service expense  <u>Details</u> Contractually agreed prices  <u>Necessity/reasonableness</u> Support normal business  <u>Audit committee's opinion</u>	17.86	17.35	13.58

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2023	2024	2025
Approved by management			
<b>Transaction 3</b>	0.00	0.00	8.99
<u>Nature of transaction</u>			
Purchase of Asset			
<u>Details</u>			
Contractually agreed prices			
<u>Necessity/reasonableness</u>			
Support normal business			
<u>Audit committee's opinion</u>			
Approved by management			
POSCO Group University			
<b>Transaction 1</b>	0.14	0.02	0.02
<u>Nature of transaction</u>			
Other payables			
<u>Details</u>			
Accrued from Training expense			
<u>Necessity/reasonableness</u>			
Support normal business			
<u>Audit committee's opinion</u>			
Approved by management			
<b>Transaction 2</b>	0.56	0.10	0.13
<u>Nature of transaction</u>			
Other service expense			
<u>Details</u>			
Training expense, Contractually agreed prices			
<u>Necessity/reasonableness</u>			
Support normal business			

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2023	2024	2025
<u>Audit committee's opinion</u> Approved by management			
POSCO (Thailand) Company Limited			
<b>Transaction 1</b>	1.40	0.01	0.00
<u>Nature of transaction</u> Other expense			
<u>Details</u> Market Price			
<u>Necessity/reasonableness</u> Support normal business			
<u>Audit committee's opinion</u> Approved by management			
POSCO VST Co., Ltd.			
<b>Transaction 1</b>	-	202.45	257.84
<u>Nature of transaction</u> Trade accounts receivable			
<u>Details</u> Sale of goods			
<u>Necessity/reasonableness</u> Support normal business			
<u>Audit committee's opinion</u> Approved by management			
<b>Transaction 2</b>	-	529.43	357.57
<u>Nature of transaction</u> Sale			
<u>Details</u> Market Price			

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2023	2024	2025
<u>Necessity/reasonableness</u> Support normal business <u>Audit committee's opinion</u> Approved by management			
<b>Transaction 3</b>  <u>Nature of transaction</u> Purchase <u>Details</u> Market Price <u>Necessity/reasonableness</u> Support normal business <u>Audit committee's opinion</u> Approved by management	-	106.35	257.67
POSCO Coated Steel (Thailand) Co., Ltd.			
<b>Transaction 1</b>  <u>Nature of transaction</u> Trade accounts payable <u>Details</u> Trade accounts payable <u>Necessity/reasonableness</u> Support normal business <u>Audit committee's opinion</u> Approved by management	-	13.27	-
<b>Transaction 2</b>  <u>Nature of transaction</u> Other payables <u>Details</u>	-	-	0.24

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2023	2024	2025
Other payables <u>Necessity/reasonableness</u> Support normal business <u>Audit committee's opinion</u> Approved by management			
<b>Transaction 3</b>  <u>Nature of transaction</u> Purchase of goods <u>Details</u> Market Price <u>Necessity/reasonableness</u> Support normal business <u>Audit committee's opinion</u> Approved by management	0.80	0.93	1.12
<b>Transaction 4</b>  <u>Nature of transaction</u> Other service expense <u>Details</u> Market Price <u>Necessity/reasonableness</u> Support normal business <u>Audit committee's opinion</u> Approved by management	11.25	194.29	163.49
<b>Transaction 5</b>  <u>Nature of transaction</u> Service income <u>Details</u>	2.65	2.66	0.20

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2023	2024	2025
Contractually agreed prices <u>Necessity/reasonableness</u> Support normal business <u>Audit committee's opinion</u> Approved by management			
<b>Transaction 6</b>  <u>Nature of transaction</u> Loan receivables and accrued interest  <u>Details</u> Market Price  <u>Necessity/reasonableness</u> Related transactions  <u>Audit committee's opinion</u> Approved by Board of Directors	-	-	93.07
NS-Thainox Auto Co., Ltd.			
<b>Transaction 1</b>  <u>Nature of transaction</u> Trade accounts receivable  <u>Details</u> Sale of goods  <u>Necessity/reasonableness</u> Support normal business  <u>Audit committee's opinion</u> Approved by management	22.77	17.58	14.25
<b>Transaction 2</b>  <u>Nature of transaction</u> Sale of goods	112.59	61.70	48.45

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2023	2024	2025
<u>Details</u> Market Price <u>Necessity/reasonableness</u> Support normal business <u>Audit committee's opinion</u> Approved by management			
Nippon STEEL Corporation			
<b>Transaction 1</b>  <u>Nature of transaction</u> Accrued Expenses <u>Details</u> Technical assistance expense <u>Necessity/reasonableness</u> Support normal business <u>Audit committee's opinion</u> Approved by management	0.05	0.04	0.06
<b>Transaction 2</b>  <u>Nature of transaction</u> Technical assistance expense <u>Details</u> Contractually agreed prices <u>Necessity/reasonableness</u> Support normal business <u>Audit committee's opinion</u> Approved by management	0.31	0.20	0.12
Posco International (Thailand) Co., Ltd.			
<b>Transaction 1</b>	89.67	25.64	33.08

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2023	2024	2025
<u>Nature of transaction</u> Trade accounts receivable <u>Details</u> Receivables from sales <u>Necessity/reasonableness</u> Support normal business <u>Audit committee's opinion</u> Approved by management			
<b>Transaction 2</b> <u>Nature of transaction</u> Sale of goods <u>Details</u> Market Price <u>Necessity/reasonableness</u> Support normal business <u>Audit committee's opinion</u> Approved by management	343.37	100.46	146.89
POSCO JAPAN Co., Ltd.			
<b>Transaction 1</b> <u>Nature of transaction</u> Other service expense <u>Details</u> Contractually agreed prices <u>Necessity/reasonableness</u> Support normal business <u>Audit committee's opinion</u> Approved by management	0.34	0.07	0.07

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2023	2024	2025
<b>Transaction 2</b>  <u>Nature of transaction</u> Sale  <u>Details</u> Market Price  <u>Necessity/reasonableness</u> Support normal business  <u>Audit committee's opinion</u> Approved by management	-	-	0.96
<b>Transaction 3</b>  <u>Nature of transaction</u> Trade accounts receivable  <u>Details</u> Receivables from sales  <u>Necessity/reasonableness</u> Support normal business  <u>Audit committee's opinion</u> Approved by management	-	-	0.96
POSCO ASSAN TST			
<b>Transaction 1</b>  <u>Nature of transaction</u> Sale  <u>Details</u> Market Price  <u>Necessity/reasonableness</u> Support normal business  <u>Audit committee's opinion</u>	0.00	132.63	252.71

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2023	2024	2025
Approved by management			
<b>Transaction 2</b>	0.00	138.44	0.00
<u>Nature of transaction</u>			
Trade accounts receivable			
<u>Details</u>			
Receivables from sales			
<u>Necessity/reasonableness</u>			
Support normal business			
<u>Audit committee's opinion</u>			
Approved by management			
eNtoB Co.,Ltd			
<b>Transaction 1</b>	-	0.19	0.27
<u>Nature of transaction</u>			
Purchase of product			
<u>Details</u>			
Contractually agreed prices			
<u>Necessity/reasonableness</u>			
Support normal business			
<u>Audit committee's opinion</u>			
Approved by management			
POSCO (BEIJING) TRADING CO., LTD.			
<b>Transaction 1</b>	-	-	21.79
<u>Nature of transaction</u>			
Purchase of product			
<u>Details</u>			
Market Price			
<u>Necessity/reasonableness</u>			

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2023	2024	2025
Support normal business <u>Audit committee's opinion</u> Approved by management			
<b>Transaction 2</b>  <u>Nature of transaction</u> Trade accounts payable <u>Details</u> Outstanding payment for purchased goods <u>Necessity/reasonableness</u> Support normal business <u>Audit committee's opinion</u> Approved by management	-	-	7.25
POSCO FLOW HOLDINGS (THAILAND) CO., LTD.			
<b>Transaction 1</b>  <u>Nature of transaction</u> Other service expense <u>Details</u> Market Price <u>Necessity/reasonableness</u> Support normal business <u>Audit committee's opinion</u> Approved by management	-	-	6.04
<b>Transaction 2</b>  <u>Nature of transaction</u> Accounts payable <u>Details</u> Other service fee	-	-	6.46

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2023	2024	2025
<u>Necessity/reasonableness</u> Support normal business <u>Audit committee's opinion</u> Approved by management			
POSCO STEELEON Co.,Ltd			
<b>Transaction 1</b>  <u>Nature of transaction</u> Other service expense <u>Details</u> Contractually agreed prices <u>Necessity/reasonableness</u> Support normal business <u>Audit committee's opinion</u> Approved by management	-	-	0.05
Key management personnel			
<b>Transaction 1</b>  <u>Nature of transaction</u> Key management personnel compensation <u>Details</u> Director remuneration as actually paid for directorship, including bonuses which is determined according to the resolution of the general meeting of shareholders <u>Necessity/reasonableness</u> Support normal business <u>Audit committee's opinion</u> Approved by Board of Director	77.32	78.71	73.39

### **9.2.3 Policy and future trends of related party transactions and the compliance with the obligations specified in the prospectus of the company**

**Measures and procedures for approving related party transactions or connected transactions**

Comply with the criteria of SET

### **9.2.4 Information on appraised assets and appraisal price in conjunction with the execution of related party transactions**

Can be referred in attachment 4: assets for business undertaking and details of asset appraisal

## Part 3 Financial Statement

## Board of Directors' Responsibility Statement for the Financial Report

## **Report of the Board of Directors' Responsibility on the Company's Financial Statements**

The Board of Directors is responsible for the Company's consolidated financial statements and any financial information disclosed in the Company's annual report. Such financial statements were prepared in accordance with the general acceptance-accounting standard in Thailand with appropriated financial policy. The reports were carefully considered and prepared with sufficient information in the notes to the financial statements and were generally practiced.

The Board of Directors also set out and maintained for the efficient internal control system to obtain reasonable assurance that the financial information had been booked in proper way and completely enough to maintain the Company's assets and be aware of weak point in order to prevent whether from any dishonesty or significant error.

The Board of Directors had appointed the Audit Committee of which comprised 3 independent directors with qualification according to SET/SEC regulations and notification for being the audit committee's members to be responsible for the quality of the financial statements and the internal control system. The opinion of the Audit Committee has already been disclosed in the annual report.

The Company's consolidated financial statements have been audited by EY Office Limited with full support from the Board of Directors. So that, the auditor could audit and provide their opinions in accordance with the accounting standard and such opinion has been disclosed in the Company's annual report.

The Board of Directors satisfied that the Company's internal control system was sufficient to obtain reasonable assurance in the Company's consolidated financial statements as of December 31, 2025 which was accurate and compiled to the accounting standard and related law and regulations.



(Mr. Do-soon Kim)  
Chairman of the Board  
POSCO-Thainox Public Company Limited

## Auditor's Report

POSCO-Thainox Public Company Limited  
Report and financial statements in which the equity  
method is applied and separate financial statements  
31 December 2025

## Independent Auditor's Report

To the Shareholders of POSCO-Thainox Public Company Limited

### Opinion

I have audited the accompanying financial statements in which the equity method is applied of POSCO-Thainox Public Company Limited (the Company), which comprise the statement of financial position in which the equity method is applied as at 31 December 2025, and the related statements of comprehensive income, changes in shareholders' equity and cash flows in which the equity method is applied for the year then ended, and notes to the financial statements in which the equity method is applied, including material accounting policy information, and have also audited the separate financial statements of POSCO-Thainox Public Company Limited for the same period (collectively "the financial statements").

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of POSCO-Thainox Public Company Limited as at 31 December 2025, its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

### Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Company in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. 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 financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond to each matter are described below.

### ***Allowance for diminution in value of inventory***

Estimation of the net realisable value of inventory, as disclosed in Note 10 to the financial statements, since it is an area requiring management judgement. In addition, major products of the Company are Stainless-steel which is a commodity product. The price volatility depends on the demand and supply of the global market. Therefore, there is a risk with respect to the amount of allowance for diminution in value of inventory.

I have assessed the method and gained an understanding of the basis applied in determining the allowance for diminution in value of inventory and reviewing the consistency of the application of that basis. This involved evaluating the design of the internal control process and performing sample tests of implementation. I compared inventory holding periods and movements to identify product groups with indicators of lower than normal turnover, and assessed the net realisable value of inventories by checking on a sampling basis, the selling price less the estimated cost necessary to complete the sale against relevant documents. Additionally, I compared the actual results for the year with the Company's historical estimates of the allowance for diminution in value of inventory and its future operating plans to evaluate the appropriateness of the Company's estimation related to the valuation of inventory.

## **Other Information**

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

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

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

When I read the annual report of the Company, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the 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 Thai Standards on Auditing 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 financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 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 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 Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 financial statements in which the equity method is applied. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance 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 those charged with governance 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 those charged with governance, I determine those matters that were of most significance in the audit of the 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.

I am responsible for the audit resulting in this independent auditor's report.



Kessirin Pinpuvadol

Certified Public Accountant (Thailand) No. 7325

EY Office Limited

Bangkok: 13 February 2026

## Financial Statements

POSCO-Thainox Public Company Limited

Statement of financial position

As at 31 December 2025

(Unit: Baht)

	<u>Note</u>	<b>Financial statements</b>		<b>Separate financial statements</b>	
		<b>in which the equity method is applied</b>			
		<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	2,366,281,515	3,046,623,450	2,366,281,515	3,046,623,450
Trade receivables	8	2,074,208,230	2,521,833,904	2,074,208,230	2,521,833,904
Current portion of receivables under debt restructuring	9	11,396,591	-	11,396,591	-
Other current receivables		104,090,594	160,288,065	104,090,594	160,288,065
Short-term loan to related party	6	91,000,000	-	91,000,000	-
Inventories	10	4,034,369,599	3,503,365,919	4,034,369,599	3,503,365,919
Other current assets		86,320,841	27,769,480	86,320,841	27,769,480
<b>Total current assets</b>		<u>8,767,667,370</u>	<u>9,259,880,818</u>	<u>8,767,667,370</u>	<u>9,259,880,818</u>
<b>Non-current assets</b>					
Investment in associate	11	59,747,074	59,055,648	4,900,000	4,900,000
Non-current portion of receivables under debt restructuring	9	1,795,882	-	1,795,882	-
Property, plant and equipment	12	2,351,574,598	2,509,027,123	2,351,574,598	2,509,027,123
Right-of-use assets	13	17,518,032	32,215,998	17,518,032	32,215,998
Intangible assets		10,707,389	1,605,044	10,707,389	1,605,044
Deferred tax assets	19	60,605,820	53,786,344	60,605,820	53,786,344
Other non-current assets		48,069,846	55,085,574	48,069,846	55,085,574
<b>Total non-current assets</b>		<u>2,550,018,641</u>	<u>2,710,775,731</u>	<u>2,495,171,567</u>	<u>2,656,620,083</u>
<b>Total assets</b>		<u>11,317,686,011</u>	<u>11,970,656,549</u>	<u>11,262,838,937</u>	<u>11,916,500,901</u>

The accompanying notes are an integral part of the financial statements.

**POSCO-Thainox Public Company Limited**  
**Statement of financial position (continued)**  
**As at 31 December 2025**

(Unit: Baht)

		<b>Financial statements</b>			
		<b>in which the equity method is applied</b>		<b>Separate financial statements</b>	
		<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Trade payables		1,870,247,213	2,213,756,366	1,870,247,213	2,213,756,366
Other current payables	14	176,145,050	246,073,746	176,145,050	246,073,746
Current portion of lease liabilities	13	12,633,957	20,539,395	12,633,957	20,539,395
Current portion of provision for employee benefits	15	<u>21,507,277</u>	<u>18,226,543</u>	<u>21,507,277</u>	<u>18,226,543</u>
<b>Total current liabilities</b>		<u>2,080,533,497</u>	<u>2,498,596,050</u>	<u>2,080,533,497</u>	<u>2,498,596,050</u>
<b>Non-current liabilities</b>					
Lease liabilities - net of current portion	13	5,168,444	12,026,165	5,168,444	12,026,165
Non-current provision for employee benefits	15	<u>187,703,134</u>	<u>167,587,005</u>	<u>187,703,134</u>	<u>167,587,005</u>
<b>Total non-current liabilities</b>		<u>192,871,578</u>	<u>179,613,170</u>	<u>192,871,578</u>	<u>179,613,170</u>
<b>Total liabilities</b>		<u>2,273,405,075</u>	<u>2,678,209,220</u>	<u>2,273,405,075</u>	<u>2,678,209,220</u>
<b>Shareholders' equity</b>					
Share capital					
Registered					
7,795,709,100 ordinary shares of Baht 1 each		<u>7,795,709,100</u>	<u>7,795,709,100</u>	<u>7,795,709,100</u>	<u>7,795,709,100</u>
Issued and fully paid-up					
7,795,709,100 ordinary shares of Baht 1 each		7,795,709,100	7,795,709,100	7,795,709,100	7,795,709,100
Share premium		332,131,264	332,131,264	332,131,264	332,131,264
Retained earnings					
Appropriated - statutory reserve	16	589,168,020	589,168,020	589,168,020	589,168,020
Unappropriated		<u>327,272,552</u>	<u>575,438,945</u>	<u>272,425,478</u>	<u>521,283,297</u>
<b>Total shareholders' equity</b>		<u>9,044,280,936</u>	<u>9,292,447,329</u>	<u>8,989,433,862</u>	<u>9,238,291,681</u>
<b>Total liabilities and shareholders' equity</b>		<u>11,317,686,011</u>	<u>11,970,656,549</u>	<u>11,262,838,937</u>	<u>11,916,500,901</u>
		-	-	-	-

The accompanying notes are an integral part of the financial statements.

Directors

POSCO-Thainox Public Company Limited

Statement of comprehensive income

For the year ended 31 December 2025

(Unit: Baht)

		Financial statements			
		in which equity method is applied		Separate financial statements	
	Note	2025	2024	2025	2024
Profit or loss:					
Revenue					
Sales and service income	22	13,250,715,505	14,379,172,729	13,250,715,505	14,379,172,729
Exchange gain		31,471,009	85,751,282	31,471,009	85,751,282
Other income	17	61,007,001	72,673,313	61,567,848	73,276,124
Total revenue		13,343,193,515	14,537,597,324	13,343,754,362	14,538,200,135
Expenses					
Cost of sales and services		12,610,203,425	13,640,547,736	12,610,203,425	13,640,547,736
Selling and distribution expenses		119,841,793	126,659,810	119,841,793	126,659,810
Administrative expenses		341,444,966	329,325,829	341,444,966	329,325,829
Surcharge and other tax	19	168,106,600	-	168,106,600	-
Total expenses		13,239,596,784	14,096,533,375	13,239,596,784	14,096,533,375
Profit from operating activities		103,596,731	441,063,949	104,157,578	441,666,760
Share of profit from investment in associate	11.3	1,252,273	2,136,445	-	-
Finance cost		(1,770,112)	(1,827,103)	(1,770,112)	(1,827,103)
Profit before income tax expenses		103,078,892	441,373,291	102,387,466	439,839,657
Income tax expenses	19	(165,122,446)	(90,541,882)	(165,122,446)	(90,541,882)
Profit (loss) for the year		(62,043,554)	350,831,409	(62,734,980)	349,297,775
Other comprehensive income:					
Other comprehensive income not to be reclassified					
to profit or loss in subsequent periods					
Remeasurement loss on defined benefit plan	15	(8,526,912)	(6,324,845)	(8,526,912)	(6,324,845)
Less: Income tax effect	19	1,705,382	1,264,969	1,705,382	1,264,969
Other comprehensive income not to be reclassified					
to profit or loss in subsequent periods - net of income tax		(6,821,530)	(5,059,876)	(6,821,530)	(5,059,876)
Other comprehensive income for the year		(6,821,530)	(5,059,876)	(6,821,530)	(5,059,876)
Total comprehensive income for the year		(68,865,084)	345,771,533	(69,556,510)	344,237,899
Earnings (loss) per share					
Basic earnings (loss) per share	21	(0.0080)	0.0450	(0.0080)	0.0448

The accompanying notes are an integral part of the financial statements.

POSCO-Thainox Public Company Limited  
Statement of changes in shareholders' equity  
For the year ended 31 December 2025

(Unit: Baht)

Financial statements in which equity method is applied					
Note	Issued and paid-up		Retained earnings		Total
	share capital	Share premium	Appropriated - statutory reserve	Unappropriated	shareholders' equity
<b>Balance as at 1 January 2024</b>	7,795,709,100	332,131,264	571,703,131	247,132,301	8,946,675,796
Profit for the year	-	-	-	350,831,409	350,831,409
Other comprehensive income for the year	-	-	-	(5,059,876)	(5,059,876)
Total comprehensive income for the year	-	-	-	345,771,533	345,771,533
Transferred unappropriated retained earnings to statutory reserve	16	-	17,464,889	(17,464,889)	-
<b>Balance as at 31 December 2024</b>	<u>7,795,709,100</u>	<u>332,131,264</u>	<u>589,168,020</u>	<u>575,438,945</u>	<u>9,292,447,329</u>
<b>Balance as at 1 January 2025</b>	7,795,709,100	332,131,264	589,168,020	575,438,945	9,292,447,329
Loss for the year	-	-	-	(62,043,554)	(62,043,554)
Other comprehensive income for the year	-	-	-	(6,821,530)	(6,821,530)
Total comprehensive income for the year	-	-	-	(68,865,084)	(68,865,084)
Dividends paid	20	-	-	(179,301,309)	(179,301,309)
<b>Balance as at 31 December 2025</b>	<u>7,795,709,100</u>	<u>332,131,264</u>	<u>589,168,020</u>	<u>327,272,552</u>	<u>9,044,280,936</u>

The accompanying notes are an integral part of the financial statements.

POSCO-Thainox Public Company Limited

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2025

(Unit: Baht)

Separate financial statements					
Note	Issued and paid-up		Retained earnings		Total
	share capital	Share premium	Appropriated - statutory reserve	Unappropriated	shareholders' equity
<b>Balance as at 1 January 2024</b>	7,795,709,100	332,131,264	571,703,131	194,510,287	8,894,053,782
Profit for the year	-	-	-	349,297,775	349,297,775
Other comprehensive income for the year	-	-	-	(5,059,876)	(5,059,876)
Total comprehensive income for the year	-	-	-	344,237,899	344,237,899
Transferred unappropriated retained earnings to statutory reserve	16	-	17,464,889	(17,464,889)	-
<b>Balance as at 31 December 2024</b>	<u>7,795,709,100</u>	<u>332,131,264</u>	<u>589,168,020</u>	<u>521,283,297</u>	<u>9,238,291,681</u>
<b>Balance as at 1 January 2025</b>	7,795,709,100	332,131,264	589,168,020	521,283,297	9,238,291,681
Loss for the year	-	-	-	(62,734,980)	(62,734,980)
Other comprehensive income for the year	-	-	-	(6,821,530)	(6,821,530)
Total comprehensive income for the year	-	-	-	(69,556,510)	(69,556,510)
Dividends paid	20	-	-	(179,301,309)	(179,301,309)
<b>Balance as at 31 December 2025</b>	<u>7,795,709,100</u>	<u>332,131,264</u>	<u>589,168,020</u>	<u>272,425,478</u>	<u>8,989,433,862</u>

The accompanying notes are an integral part of the financial statements.

**POSCO-Thainox Public Company Limited**

**Statement of cash flows**

**For the year ended 31 December 2025**

(Unit: Baht)

		Financial statements		Separate financial statements	
		in which equity method is applied			
	Note	2025	2024	2025	2024
<b>Cash flows from operating activities</b>					
Profit (loss) for the year		(62,043,554)	350,831,409	(62,734,980)	349,297,775
Adjustments to reconcile profit to					
net cash provided by (paid from) operating activities:					
Income tax expenses	19	165,122,446	90,541,882	165,122,446	90,541,882
Finance cost		1,770,112	1,827,103	1,770,112	1,827,103
Depreciation and amortisation	18	323,064,999	313,100,746	323,064,999	313,100,746
Expenses related to long-term employee benefits	15	34,244,532	26,945,899	34,244,532	26,945,899
Reversal on provision for goods returned		(552,361)	(791,550)	(552,361)	(791,550)
Unrealised loss (gain) on exchanges		676,551	(8,508,867)	676,551	(8,508,867)
Share of profit from investment in associate	11.3	(1,252,273)	(2,136,445)	-	-
Loss on written-off of trade receivables		909,570	-	909,570	-
Allowance for expected credit losses (reversal)		7,369,319	(1,579,584)	7,369,319	(1,579,584)
Reversal of allowance for diminution in value of inventories	10	(4,152,456)	(30,505,953)	(4,152,456)	(30,505,953)
Loss on written-off of plant and equipment		49	7,300	49	7,300
Loss on sales of plant and equipment		215,040	44,760	215,040	44,760
Loss on written-off of intangible assets		81	-	81	-
Dividend income	11.3	-	-	(560,847)	(602,811)
Interest income		(40,492,691)	(56,897,964)	(40,492,691)	(56,897,964)
Profit from operating activities before changes in					
operating assets and liabilities		424,879,364	682,878,736	424,879,364	682,878,736
Operating assets (increase) decrease					
Trade receivables		418,056,868	(565,961,022)	418,056,868	(565,961,022)
Receivables under debt restructuring		5,417,960	1,800,000	5,417,960	1,800,000
Other current receivables		10,008,351	(20,133,929)	10,008,351	(20,133,929)
Inventories		(526,851,224)	700,787,846	(526,851,224)	700,787,846
Other current assets		(59,387,706)	184,234,549	(59,387,706)	184,234,549
Other non-current assets		7,015,728	34,728,688	7,015,728	34,728,688
Operating liabilities increase (decrease)					
Trade payables		(338,311,711)	(97,831,752)	(338,311,711)	(97,831,752)
Other current payables		(36,486,060)	29,138,191	(36,486,060)	29,138,191
Payment of provision for employee benefits	15	(19,374,581)	(16,511,801)	(19,374,581)	(16,511,801)
Cash flows from (used in) operating activities		(115,033,011)	933,129,506	(115,033,011)	933,129,506
Refund of corporate income tax		84,400,000	-	84,400,000	-
Corporate income tax paid		(247,776,642)	(9,519,711)	(247,776,642)	(9,519,711)
<b>Net cash flows from (used in) operating activities</b>		<b>(278,409,653)</b>	<b>923,609,795</b>	<b>(278,409,653)</b>	<b>923,609,795</b>

The accompanying notes are an integral part of the financial statements.

**POSCO-Thainox Public Company Limited**

**Statement of cash flows (continued)**

**For the year ended 31 December 2025**

(Unit: Baht)

	Note	Financial statements		Separate financial statements	
		in which equity method is applied			
		2025	2024	2025	2024
<b>Cash flows from investing activities</b>					
Increase in short-term loan to related party	6	(91,000,000)	-	(91,000,000)	-
Cash received from sales of plant and equipment		1,507,445	1,402	1,507,445	1,402
Acquisition of plant and equipment		(132,357,564)	(215,832,326)	(132,357,564)	(215,832,326)
Acquisition of intangible assets		(11,541,312)	-	(11,541,312)	-
Dividend received		560,847	602,811	560,847	602,811
Interest received		42,690,991	56,400,128	42,690,991	56,400,128
<b>Net cash flows used in investing activities</b>		<u>(190,139,593)</u>	<u>(158,827,985)</u>	<u>(190,139,593)</u>	<u>(158,827,985)</u>
<b>Cash flows from financing activities</b>					
Payment of lease liabilities	13	(27,735,161)	(27,357,355)	(27,735,161)	(27,357,355)
Payment of finance cost		(1,770,112)	(1,827,103)	(1,770,112)	(1,827,103)
Dividends payable to the Company's shareholders		<u>(179,283,727)</u>	<u>(10,640)</u>	<u>(179,283,727)</u>	<u>(10,640)</u>
<b>Net cash flows used in financing activities</b>		<u>(208,789,000)</u>	<u>(29,195,098)</u>	<u>(208,789,000)</u>	<u>(29,195,098)</u>
Net cash and cash equivalents increase (decrease)					
before effect of exchange rate		(677,338,246)	735,586,712	(677,338,246)	735,586,712
Effect of exchange rate					
on cash and cash equivalents		<u>(3,003,689)</u>	<u>6,026,626</u>	<u>(3,003,689)</u>	<u>6,026,626</u>
<b>Net increase (decrease) in cash and cash equivalents</b>		<u>(680,341,935)</u>	<u>741,613,338</u>	<u>(680,341,935)</u>	<u>741,613,338</u>
<b>Cash and cash equivalents at beginning of the year</b>		<u>3,046,623,450</u>	<u>2,305,010,112</u>	<u>3,046,623,450</u>	<u>2,305,010,112</u>
<b>Cash and cash equivalents at end of the year</b>		<u><u>2,366,281,515</u></u>	<u><u>3,046,623,450</u></u>	<u><u>2,366,281,515</u></u>	<u><u>3,046,623,450</u></u>
		-		-	
<b>Supplemental cash flows information</b>					
Non-cash transactions:					
Payables on purchase of plant and equipment	14	36,326,373	31,457,785	36,326,373	31,457,785
Increase in right-of-use assets due to entering					
into lease agreement	13	13,469,053	17,138,566	13,469,053	17,138,566

The accompanying notes are an integral part of the financial statements.

## Notes to the Financial Statements

**POSCO-Thainox Public Company Limited****Notes to financial statements****For the year ended 31 December 2025**

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## **POSCO-Thainox Public Company Limited**

### **Notes to financial statements**

**For the year ended 31 December 2025**

#### **1. General information**

POSCO-Thainox Public Company Limited (“the Company”) is incorporated in Thailand and was listed on the Stock Exchange of Thailand in December 2004. The Company’s registered head office and branch offices as follows;

- Head office : 622 Emporium Tower, Floor 15/6-8, Sukhumvit Road, Klongton, Klongtoey, Bangkok 10110, Thailand.
- Branch office 1 : 324 Moo 8, Highway 3191 Road, Tambol Mabkha, Nikom Pattana, Rayong 21180, Thailand.
- Branch office 2 : 700/453 Amata Nakorn Industrial Estate, Moo 7, Tambol Donhuaror, Amphur Muang, Chonburi 20000, Thailand.

The parent and ultimate parent companies during the financial year were POSCO Co., Ltd. and POSCO Holding Inc. Both were incorporated in Republic of Korea. The principal activities of the Company are production and sales of cold-rolled stainless steel for use as raw material in the production of household appliances such as kitchenette, sinks, washing machines etc., including other industries.

#### **2. Basis of preparation**

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

- 2.2 The separate financial statements present investment in associate under the cost method.

### **3. New financial reporting standards**

#### **3.1 Financial reporting standards that became effective in the current year**

During the year, the Company has adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2025. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

#### **3.2 Financial reporting standard that will become effective for fiscal years beginning on or after 1 January 2026**

The Federation of Accounting Professions issued a revised financial reporting standard, which are effective for fiscal years beginning on or after 1 January 2026. These financial reporting standard was aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Company believes that adoption of these amendments will not have any significant impact on the Company's financial statements.

### **4. Accounting policies**

#### **4.1 Revenue and expense recognition**

##### **Sales of goods**

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally upon delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns, discounts, allowances and price promotions to customers.

Revenue from sales of goods is recognised on the date on which the goods are delivered to the customers. For the sales that permit the customers to return the goods, the Company estimates the returns based on the historical return data, does not recognise revenue for this transaction and remains recognition of inventory for the estimated products to be returned.

## **Rendering of services**

Revenue for rendering of services is recognised over time based on stage of completion. The stage of completion is assessed based on surveys of work performed. The related costs are recognised in profit or loss when they are incurred.

For bundled packages, the Company recognises revenue from sales of products and rendering of services separately if a product or service is separately identifiable from other items and a customer can benefit from it or the multiple services are rendered in different reporting periods. The consideration received is allocated based on their relative stand-alone selling prices.

## **Interest income**

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

## **Finance cost**

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

## **Dividends**

Dividends are recognised when the right to receive the dividends is established.

### **4.2 Cash and cash equivalents**

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

### **4.3 Inventories**

Inventories are measured at the lower of cost and net realisable value. Cost is calculated using the weighted average method. Cost includes direct costs incurred in acquiring the inventories. In the case of manufactured inventories and work-in-progress, cost includes an appropriate allocation of production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

A right to recover returned products is recognised when the products are expected to be returned by customers and measured by reference to the former carrying amount of the sold inventories less any expected costs to recover those products.

#### **4.4 Investment in associate**

Investment in associate is accounted for in the financial statements in which equity method is applied using the equity method.

Investment in associate is accounted for in the separate financial statements using the cost method.

#### **4.5 Property, plant and equipment/Depreciation**

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of plant and equipment is calculated by reference to their costs amount, on the straight-line basis over the following estimated useful lives:

Land improvement, factory, and office buildings	10-25 years
Machinery and equipment	5-25 years
Furniture, fixtures and office equipment	3-20 years
Motor vehicles	5 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

#### **4.6 Intangible assets**

Software licences are carried at cost less accumulated amortisation and allowance for loss on impairment (if any). Intangible assets are amortised as expenses on a straight-line basis over the economic useful life of 3-10 years.

#### **4.7 Leases**

At inception of contract, the Company assesses whether a 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.

##### **The Company as a lessee**

The Company applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Company recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

***Right-of-use assets***

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs on the straight-line basis over the shorter of their estimated useful lives and the lease term.

If ownership of the leased asset is transferred to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

***Lease liabilities***

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Company discounted the present value of the lease payments by the interest rate implicit in the lease or the Company's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

***Short-term leases and leases of low-value assets***

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

#### **4.8 Related party transactions**

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated company, and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

#### **4.9 Foreign currencies**

The financial statements in which the equity method is applied and the separate financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

#### **4.10 Impairment of non-financial assets**

At the end of each reporting period, the Company performs impairment reviews in respect of the property, plant and equipment, right-of-use assets and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

#### **4.11 Employee benefits**

##### ***Short-term employee benefits***

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

##### ***Post-employment benefits and other long-term employee benefits***

###### ***Defined contribution plans***

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in

a separate trust fund and the Company's contributions are recognised as expenses when incurred.

#### *Defined benefit plans and other long-term employee benefits*

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law and other employee benefit plan. The Company treats these severance payment obligations as a defined benefit plan. In addition, the Company provides other long-term employee benefit plan, namely long service awards.

The obligation under the defined benefit plan and other long-term employee benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

Actuarial gains and losses arising from other long-term benefits are recognised immediately in profit and loss.

### **4.12 Provisions**

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

### **4.13 Income tax**

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

#### **Current tax**

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

#### **Deferred tax**

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available

against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

#### **4.14 Financial instruments**

The Company initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

##### **Classification and measurement of financial assets**

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Company's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

##### ***Financial assets at amortised cost***

The Company measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

##### **Classification and measurement of financial liabilities**

Except for derivative liabilities, at initial recognition the Company's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Company takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

## **Derecognition of financial instruments**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Company has transferred substantially all the risks and rewards of the asset, or the Company has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

## **Impairment of financial assets**

The Company recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Company considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset as credit impaired or default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

## **Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### **4.15 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

## **5. Significant accounting judgements and estimates**

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

### **Deferred tax assets**

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

## **Allowance for diminution in value of inventory**

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.

## **6. Related party transactions**

Relationships with parent, ultimate parent and an associate are described in note 1 and note 11. Other related parties which the Company had significant transactions with during the year were as follows:

<b>Name of entities</b>	<b>Country of incorporation/ nationality</b>	<b>Nature of relationships</b>
POSCO Co., Ltd.	South Korea	Parent company, 74.56% shareholding
POSCO Holding Inc.	South Korea	Ultimate parent company
Nippon STEEL Corporation	Japan	Sister company, 2.59% shareholding
POSCO (Thailand) Company Limited	Thailand	Sister company
POSCO International (Thailand) Co., Ltd.	Thailand	Sister company
POSCO Coated Steel (Thailand) Co., Ltd.	Thailand	Sister company
POSCO FLOW (THAILAND) CO., LTD.	Thailand	Sister company
POSCO International Corporation	South Korea	Sister company
POSCO DX Company Ltd.	South Korea	Sister company
POSCO Group University	South Korea	Sister company
eNtoB Co.,Ltd	South Korea	Sister company
POSCO STEELEON Co.,Ltd	South Korea	Sister company
POSCO (BEIJING) TRADING CO., LTD.	China	Sister company
POSCO Asia Co., Ltd.	Hong Kong	Sister company
POSCO VST Co., Ltd.	Vietnam	Sister company
NS-THAINOX AUTO CO., LTD.	Thailand	Sister company
POSCO JAPAN CO., Ltd.	Japan	Sister company
POSCO ASSAN TST	Turkey	Sister company
Key management personnel	Multi-nationalities	Persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Company
Mahagitsiri family	Thailand	Major shareholders, 10.13% or more shareholding, and directors

The pricing policies of transactions are explained further below:

<b>Transactions</b>	<b>Pricing policies</b>
Sale of goods and rendering of services	Market price
Sale of scrap	Market price
Other income	Contractually agreed prices
Interest income	3.1% per annum
Purchase of raw materials and rendering of services	Market price
Communication expense	Contractually agreed prices
Transportation expense	Market price
Technical assistance expense	Contractually agreed prices or mutual agree rate
Other expenses	Contractually agreed prices
Key management personnel	Approve from resolution of the annual general meeting of shareholders, and mutual agree rate

During the years, the Company had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

	(Unit: Thousand Baht)	
	<u>2025</u>	<u>2024</u>
<b><u>Transactions with parent company</u></b>		
Purchases of raw materials	6,780,205	6,569,081
Technical assistance expense	19,414	27,539
<b><u>Transactions with associate</u></b>		
Sales and service income	48,446	61,702
<b><u>Transactions with related companies</u></b>		
Sales and service income	2,282,497	2,098,568
Sale of scrap	328,106	364,927
Purchases of raw materials	4,688,817	4,743,122
Other income	557	3,079
Interest income	2,071	-
Communication expense	22,568	17,354
Transportation expense	167,253	194,287
Technical assistance expense	121	151
Other expense	2,842	2,308

The balances of the accounts between the Company and those related parties are as follows:

	(Unit: Thousand Baht)	
	<u>2025</u>	<u>2024</u>
<b><u>Trade receivables (Note 8)</u></b>		
Associate	14,245	17,575
Related companies	326,154	517,851
Total	<u>340,399</u>	<u>535,426</u>
<b><u>Other current receivables</u></b>		
Related companies	<u>28,881</u>	<u>31,993</u>
<b><u>Trade payables</u></b>		
Parent company	1,652,205	2,043,562
Related companies	75,752	49,297
Total	<u>1,727,957</u>	<u>2,092,859</u>
<b><u>Other current payables</u></b>		
Parent company	19,414	23,335
Related companies	1,413	1,295
Total	<u>20,827</u>	<u>24,630</u>

#### **Short-term loan to related party**

As at 31 December 2025 and 2024, the balance of short-term loan to related party and the movement of these loans are as follows:

	(Unit: Thousand Baht)		
	Balance as at 31 December 2024	Increase during the year	Balance as at 31 December 2025
Posco Coated Steel (Thailand)			
Company Limited	<u>-</u>	<u>91,000</u>	<u>91,000</u>

On 13 February 2025, the Board of Director's meeting of the Company passed the resolution to approve to provide financial assistance to POSCO Coated Steel (Thailand) Company Limited, a related company, in the form of a loan for an amount not exceeding Baht 100 million (including principal and interest). Subsequently, on 4 April 2025, the Company entered into the loan agreement, with an interest rate of 3.1 percent per annum, for a period of 1 year.

## Directors and management's remuneration

(Unit: Thousand Baht)

	<u>2025</u>	<u>2024</u>
Directors' remuneration	3,090	2,773
Short-term employee benefits	70,303	75,940
Total	<u>73,393</u>	<u>78,713</u>

## **7. Cash and cash equivalents**

(Unit: Thousand Baht)

	<u>2025</u>	<u>2024</u>
Cash	125	125
Bank deposits	2,366,157	3,046,498
Total	<u>2,366,282</u>	<u>3,046,623</u>

As at 31 December 2025, bank deposits in saving accounts carried interests between 0.05 and 1.10 percent per annum (2024: between 0.10 percent and 2.75 percent per annum).

## **8. Trade receivables**

(Unit: Thousand Baht)

	<u>2025</u>	<u>2024</u>
<u>Trade receivables - related parties</u>		
Aged on the basis of due dates		
Net yet due	339,956	535,426
Past due		
1 - 30 days	443	-
Total	<u>340,399</u>	<u>535,426</u>
<u>Trade receivables - unrelated parties</u>		
Aged on the basis of due dates		
Net yet due	1,579,944	1,840,533
Past due		
1 - 30 days	146,076	119,728
31 - 60 days	8,630	-
More than 120 days	4,722	31,898
Total	<u>1,739,372</u>	<u>1,992,159</u>
Total trade receivables	2,079,771	2,527,585
Less: Allowance for expected credit losses	(5,563)	(5,751)
Total trade receivables - net	<u>2,074,208</u>	<u>2,521,834</u>

The normal credit term is 7 to 180 days.

Set out below is the movement in the allowance for expected credit losses of trade receivables.

	(Unit: Thousand Baht)	
	<u>2025</u>	<u>2024</u>
Balance at 1 January	5,751	5,871
Provision for expected credit losses	842	-
Write-off	(910)	-
Reversal	(120)	(120)
Balance at 31 December	<u>5,563</u>	<u>5,751</u>

## 9. Receivables under debt restructuring

	(Unit: Thousand Baht)	
	<u>2025</u>	<u>2024</u>
Within 1 year	125,063	105,155
More than a year	1,809	-
	<u>126,872</u>	<u>105,155</u>
Less: Allowance for expected credit loss	<u>(105,374)</u>	<u>(97,817)</u>
	21,498	7,338
Less: Future interest income on debt restructuring	<u>(8,306)</u>	<u>(7,338)</u>
<b>Present value of receivables under debt restructuring</b>	<u>13,192</u>	<u>-</u>
Receivables under debt restructuring - current	11,396	-
Receivables under debt restructuring - non current	<u>1,796</u>	<u>-</u>
<b>Total</b>	<u>13,192</u>	<u>-</u>

On 3 November 2025, the Company has entered into the compromise agreement with a customer to extent the payment term to 15 installments with the final installment due in January 2027.

Set out below is the movement in the allowance for expected credit losses of receivables under debt restructuring.

	(Unit: Thousand Baht)	
	<u>2025</u>	<u>2024</u>
Balance at 1 January	97,817	99,276
Provision for expected credit losses	12,784	-
Reversal	<u>(5,227)</u>	<u>(1,459)</u>
Balance at 31 December	<u>105,374</u>	<u>97,817</u>

## 10. Inventories

(Unit: Thousand Baht)

	Cost		Reduce cost to net realisable value		Inventories - net	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Finished goods	1,175,696	1,058,237	(44,325)	(44,631)	1,131,371	1,013,606
Work in process	1,406,513	1,134,650	(12,432)	(14,654)	1,394,081	1,119,996
Raw materials	1,002,313	647,690	(1,332)	(6,090)	1,000,981	641,600
Factory supplies and spare parts	204,312	193,428	-	-	204,312	193,428
Goods in transit	303,625	534,736	-	-	303,625	534,736
Total	<u>4,092,459</u>	<u>3,568,741</u>	<u>(58,089)</u>	<u>(65,375)</u>	<u>4,034,370</u>	<u>3,503,366</u>

(Unit: Thousand Baht)

	<u>2025</u>	<u>2024</u>
Inventories recognised as an expense in cost of goods sold and rendering of services:		
- Cost of good and rendering of service	12,614,355	13,671,054
- Reversal of allowance for diminution in value of inventories	(4,152)	(30,506)
Net	<u>12,610,203</u>	<u>13,640,548</u>

## 11. Investment in an associate

### 11.1 Details of investment in an associate

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Paid-up capital		Shareholding percentage		Financial statements		Cost	
							in which the equity method is applied	Separate financial statements		
							Carrying amounts based on equity method			
			<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
					(%)	(%)				
NS-Thai NOx	Trading of stainless									
Auto Co., Ltd.	steels	Thailand	10,00C	10,00C	49	49	59,747	59,056	4,90C	4,90C

None of the Company's associate is publicly and consequently does not have published price quotation.

## 11.2 Summarised financial information about material associate

### Summarised information about comprehensive income

	(Unit: Thousand Baht)	
	<u>2025</u>	<u>2024</u>
Revenue from sale of goods and rendering of service	66,190	83,856
Cost of sales of goods and rendering of service	(50,977)	(63,098)
Gross profit	15,213	20,758
Other income	3,069	287
Profit before expenses	18,282	21,045
Administration expenses	(14,559)	(15,203)
Profit before tax expense	3,723	5,842
Tax expense	(1,167)	(1,482)
Profit for the year	2,556	4,360
Total comprehensive income (100%)	2,556	4,360
Total comprehensive income (49% shareholding)	1,252	2,136
Dividend income from associate for the year	(561)	(603)

### Summarised information about financial position

	(Unit: Thousand Baht)	
	<u>2025</u>	<u>2024</u>
Current assets	137,911	139,946
Non-current assets	618	903
Current liabilities	(14,098)	(17,856)
Non-current liabilities	(2,498)	(2,471)
Net assets (100%)	121,933	120,522
Company's share of net assets (49% shareholding)	59,747	59,056
<b>Carrying amounts of associate base on equity method</b>	<b>59,747</b>	<b>59,056</b>

### 11.3 Share of comprehensive income and dividend received

During the years, the Company has recognised its share of profit from investment in associate in the financial statements in which the equity method is applied and dividend income in the separate financial statements as follows:

(Unit: Thousand Baht)

Associate	Financial statements in which the equity method is applied				Separate financial statements	
	Share of profit from		Share of other comprehensive		Dividend received	
	investment in associate		income from investment in		during the year	
	during the year		associate during the year			
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
NS-Thainox Auto Co., Ltd.	1,252	2,136	-	-	561	603

The shares of comprehensive income from investment in associate was calculated from the financial statements, prepared by their managements. The Company's management believes that there would be no significant difference from those financial statements if they had been reviewed by the auditor of the associate.

## 12. Property, plant and equipment

(Unit: Thousand Baht)

	Land	Land improvement, factory and office buildings	Machinery and equipment	Furniture, fixture and equipment	Vehicles	Assets under installation and construction	Total
<b>Cost</b>							
1 January 2024	318,856	2,810,339	10,230,858	215,806	5,328	11,295	13,592,482
Additions	-	894	44,367	1,724	-	197,049	244,034
Disposals/ write-off	-	(1,138)	(20,107)	(1,585)	-	-	(22,830)
Transfers in (out)	-	-	39,113	353	-	(39,466)	-
31 December 2024	318,856	2,810,095	10,294,231	216,298	5,328	168,878	13,813,686
Additions	-	367	51,698	13,652	-	91,520	157,237
Disposals/ write-off	-	(3,331)	(3,447)	(4,602)	-	-	(11,380)
Transfers in (out)	-	2,544	194,628	938	-	(218,121)	(20,011)
31 December 2025	318,856	2,809,675	10,537,110	226,286	5,328	42,277	13,939,532
<b>Accumulated depreciation:</b>							
1 January 2024	-	(2,418,215)	(8,455,638)	(163,880)	(5,092)	-	(11,042,825)
Depreciation for the year	-	(58,731)	(208,181)	(17,513)	(184)	-	(284,609)
Depreciation on disposals/ write-off	-	1,137	20,107	1,531	-	-	22,775
31 December 2024	-	(2,475,809)	(8,643,712)	(179,862)	(5,276)	-	(11,304,659)
Depreciation for the year	-	(58,792)	(221,398)	(12,747)	(19)	-	(292,956)
Depreciation on disposals/ write-off	-	3,331	1,755	4,572	-	-	9,658
31 December 2025	-	(2,531,270)	(8,863,355)	(188,037)	(5,295)	-	(11,587,957)
<b>Net book value:</b>							
31 December 2024	318,856	358,969	1,650,519	36,436	52	168,878	2,509,027
31 December 2025	318,856	278,405	1,673,755	38,249	33	42,277	2,351,575
<b>Depreciation for the year</b>							
2024 (Baht 275.47 million included in manufacturing cost, and the balance in selling and administrative expenses)							284,609
2025 (Baht 284.43 million included in manufacturing cost, and the balance in selling and administrative expenses)							292,956

As at 31 December 2025, certain items of property and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 8,850.03 million (2024: Baht 8,537.75 million).

### 13. Leases

#### The Company as a lessee

The Company has lease contracts for various items of assets used in its operation.

##### a) Right-of-use assets

Movements of right-of-use assets for the years ended 31 December 2025 and 2024 are summarised below:

	(Unit: Thousand Baht)		
	Building	Motor vehicles	Total
1 January 2024	24,335	18,220	42,555
Additions	12,946	4,193	17,139
Depreciation for the year	(18,517)	(8,961)	(27,478)
31 December 2024	18,764	13,452	32,216
Additions	8,836	4,136	12,972
Depreciation for the year	(18,935)	(8,735)	(27,670)
31 December 2025	8,665	8,853	17,518

##### b) Lease liabilities

	(Unit: Thousand Baht)	
	<u>2025</u>	<u>2024</u>
Lease payments	45,537	59,922
Less: Deferred interest expenses	(27,735)	(27,357)
Total	17,802	32,565
Less: Portion due within one year	(12,634)	(20,539)
Lease liabilities - net of current portion	5,168	12,026

Movements of the lease liability account during the years ended 31 December 2025 and 2024 are summarised below:

	(Unit: Thousand Baht)	
	<u>2025</u>	<u>2024</u>
Balance at beginning of year	32,565	42,784
Additions	12,972	17,138
Accretion of interest	635	812
Repayments	(28,370)	(28,170)
Balance at end of year	17,802	32,565

A maturity analysis of lease payments is disclosed in Note 25.1 under the liquidity risk.

**c) Expenses relating to leases that are recognised in profit or loss**

	(Unit: Thousand Baht)	
	<u>2025</u>	<u>2024</u>
Depreciation expense of right-of-use assets	27,670	27,472
Interest expense on lease liabilities	635	812
Expense relating to short-term lease	569	799
Expense relating to leases of low-value assets	473	481

**d) Others**

The Company had total cash outflows for leases for the year ended 31 December 2025 of Baht 28.87 million (2024: Baht 28.17 million), including the cash outflow related to short-term lease and leases of low-value assets.

**14. Other current payables**

	(Unit: Thousand Baht)	
	<u>2025</u>	<u>2024</u>
Accrued expense	96,440	111,149
Income tax payable and withholding tax payables	15,380	56,257
Advance received from customers	13,394	15,513
Contract liabilities	8,135	17,507
Payables on purchase of plant and equipment	36,326	31,458
Provision for goods returned	1,744	3,662
Others	4,726	10,528
Total	<u>176,145</u>	<u>246,074</u>

## 15. Provision for employee benefits

(Unit: Thousand Baht)						
	2025			2024		
	Other			Other		
	Post-employment benefits	long-term employee benefits	Total	Post-employment benefits	long-term employee benefits	Total
Provision for employee benefits						
<b>at beginning of year</b>	151,937	33,876	185,813	144,800	24,255	169,055
<i>Included in profit or loss:</i>						
Current service cost	7,940	2,572	10,512	6,967	1,473	8,440
Interest cost	3,441	749	4,190	4,159	630	4,789
Remeasurement loss arising from						
Financial assumptions changes	-	16,728	16,728	-	11,443	11,443
Experience adjustments	-	2,815	2,815	-	2,273	2,273
<i>Included in other comprehensive income:</i>						
Remeasurement (gain) loss arising from						
Financial assumptions changes	5,755	-	5,755	6,637	-	6,637
Experience adjustments	2,722	-	2,722	(312)	-	(312)
Benefits paid during the year	(13,692)	(5,683)	(19,375)	(10,313)	(6,198)	(16,511)
<b>Provision for employee benefits at end of year</b>	<b>158,153</b>	<b>51,057</b>	<b>209,210</b>	<b>151,938</b>	<b>33,876</b>	<b>185,814</b>

(Unit: Thousand Baht)			
		<u>2025</u>	<u>2024</u>
Provision for employee benefits			
- Current		21,507	18,227
- Non-current		187,703	167,587
Total		<u>209,210</u>	<u>185,814</u>

As at 31 December 2025, the weighted average duration of the liabilities for long-term employee benefit is 7.16 years (2024: 7.42 years).

Significant actuarial assumptions are summarised below:

	(Unit: percent per annum)	
	<u>2025</u>	<u>2024</u>
Discount rate	2.00	2.50
Salary increase rate	5.00	5.00
Gold inflation rate	1.75	1.25

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2025 and 2024 are summarised below:

	(Unit: Thousand Baht)			
	2025		2024	
	<u>Increase 1.0%</u>	<u>Decrease 1.0%</u>	<u>Increase 1.0%</u>	<u>Decrease 1.0%</u>
<u>Effect to the defined benefit obligation</u>				
Discount rate	(11,510)	12,340	(12,104)	17,329
Salary increase rate	13,901	(12,333)	15,917	(14,059)
	<u>Increase 1.0%</u>	<u>Decrease 1.0%</u>	<u>Increase 1.0%</u>	<u>Decrease 1.0%</u>
<u>Other long-term employee benefits</u>				
Discount rate	(2,929)	3,117	(3,118)	3,321

## 16. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

## 17. Other income

	(Unit: Thousand Baht)			
	Financial statements in which the equity method is applied		Separate financial statements	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Interest income	45,824	56,898	45,824	56,898
Gain on disposal of scrap material	10,589	9,576	10,589	9,576
Others	4,594	6,199	5,155	6,802
Total	<u>61,007</u>	<u>72,673</u>	<u>61,568</u>	<u>73,276</u>

## 18. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)	
	<u>2025</u>	<u>2024</u>
Salaries, wages and other employee benefits	596,019	586,665
Depreciation and amortisation expenses	323,562	313,101
Marketing expenses	11,856	14,410
Traveling expense	6,422	7,004
Transportation expenses	90,830	89,840
Services expenses	44,575	43,690
Raw materials and supply used	11,796,701	11,514,636
Changes in inventories of finished goods	(389,322)	787,555

## 19. Income tax

Income tax expenses for the years ended 31 December 2025 and 2024 are made up as follows:

	(Unit: Thousand Baht)			
	Financial statements in which the equity method is applied		Separate financial statements	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
<b>Current income tax:</b>				
Current income tax charge	61,871	52,050	61,871	52,050
Adjustment in respect of income tax of previous year	108,365	-	108,365	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(5,114)	38,492	(5,114)	38,492
<b>Income tax expense reported in profit or loss</b>	<u>165,122</u>	<u>90,542</u>	<u>165,122</u>	<u>90,542</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2025 and 2024 are as follows:

	(Unit: Thousand Baht)			
	Financial statements in which the equity method is applied		Separate financial statements	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Deferred tax on remeasurement loss on defined benefits plan	(1,705)	(1,265)	(1,705)	(1,265)
Total	<u>(1,705)</u>	<u>(1,265)</u>	<u>(1,705)</u>	<u>(1,265)</u>

The reconciliation between accounting profit (loss) and income tax expense is shown below.

	(Unit: Thousand Baht)			
	Financial statements in which the equity method is applied		Separate financial statements	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Accounting profit before tax	<u>103,079</u>	<u>441,373</u>	<u>102,387</u>	<u>439,840</u>
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	20,615	88,275	20,477	87,968
Adjustment in respect of income tax of previous year	108,365	-	108,365	-
Effects of:				
Tax-exempted revenue	(150)	(189)	(150)	(189)
Additional expenses deductions allowed	(80)		(80)	
Share of profit from investment in associate	(138)	(307)	-	-
Non-deductible expenses	36,510	2,763	36,510	2,763
Total	<u>36,142</u>	<u>2,267</u>	<u>36,280</u>	<u>2,574</u>
Income tax expense reported in profit or loss	<u>165,122</u>	<u>90,542</u>	<u>165,122</u>	<u>90,542</u>

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied/ Separate financial statements			
	Assets		Liabilities	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
<b>Deferred tax</b>				
At 31 December	77,680	74,982	(17,074)	(21,196)
Set off of tax	(17,074)	(21,196)	17,074	21,196
<b>Deferred tax asset-net</b>	<u>66,606</u>	<u>53,786</u>	<u>-</u>	<u>-</u>

Movements of deferred tax asset and liabilities are presented below.

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied /Separate financial statements			
	As at	Other		AS at
	31 December		comprehensive	31 December
	<u>2024</u>	<u>Profit or loss</u>	<u>income</u>	<u>2025</u>
<b>Deferred tax</b>				
Deferred tax assets				
Allowance for expected credit losses	20,713	1,474	-	22,187
Allowance for diminution in value of inventories	13,075	(1,457)	-	11,618
Provision for employee benefits	37,163	2,974	1,705	41,842
Provision for goods returned	459	(110)	-	349
Contract liability	3,502	(1,875)	-	1,627
Right-of-use assets	70	(13)	-	57
<b>Total</b>	<u>74,982</u>	<u>993</u>	<u>1,705</u>	<u>77,680</u>
Deferred tax liabilities				
Accumulated depreciation of plant and equipment	(17,323)	1,570	-	(15,753)
Accrued expense	(3,515)	2,194	-	(1,321)
Accrued income	(358)	358	-	-
<b>Total</b>	<u>(21,196)</u>	<u>4,122</u>	<u>-</u>	<u>(17,074)</u>
<b>Net</b>	<u>53,786</u>	<u>5,115</u>	<u>1,705</u>	<u>60,606</u>

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied			
	/Separate financial statements			
	As at 1 January 2024	Profit or loss	Other comprehensive income	As at 31 December 2025
<b>Deferred tax</b>				
Deferred tax assets				
Allowance for expected credit losses	21,029	(316)	-	20,713
Allowance for diminution in value of inventories	18,549	(5,474)	-	13,075
Provision for employee benefits	33,811	2,087	1,265	37,163
Provision for goods returned	617	(158)	-	459
Contract liability	921	2,581	-	3,502
Right-of-use assets	46	24	-	70
Unused tax loss	36,771	(36,771)	-	-
<b>Total</b>	<b>111,744</b>	<b>(38,027)</b>	<b>1,265</b>	<b>74,982</b>
Deferred tax liabilities				
Accumulated depreciation of plant and equipment	(19,823)	2,500	-	(17,323)
Accrued expense	(908)	(2,607)	-	(3,515)
Accrued income	-	(358)	-	(358)
<b>Total</b>	<b>(20,731)</b>	<b>(465)</b>	<b>-</b>	<b>(21,196)</b>
<b>Net</b>	<b>91,013</b>	<b>(38,492)</b>	<b>1,265</b>	<b>53,786</b>

#### Bilateral Advance Pricing Arrangement

In March 2025, the Company received a letter from the Revenue Department of Thailand informing of the result that the Revenue Department of Thailand and the National Tax Services of the Republic of Korea had reached an agreement on the Company's submission the Bilateral Advance Pricing Arrangement ("APA") on the determination of the advance pricing between the Company, the parent company and the ultimate parent company. As a result, the Company recognised net of additional corporate income tax expenses for prior years of Baht 110.4 million, surcharges and other tax of Baht 168.1 million in the statement of comprehensive income. Additionally, the Company recognised the Revenue Department receivables net increase of Baht 40.6 million as presented in other current receivables in the statement of financial position. The Company made the payment of such tax in March 2025. In September 2025, the Company received partial refund from the Revenue Department for these receivables.

In December 2025, the Company submitted the application of Bilateral Advance Pricing Arrangement (“APA”) to the Director-General of the Revenue Department for the accounting period from 1 January 2023 to 31 December 2029, and is currently awaiting the Revenue Department’s consideration of application.

### Effect from international tax reform - Pillar Two model rules

The Group is within the scope of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD). Accordingly, the Group has applied the mandatory exception requiring that entities shall neither recognise nor disclose information about deferred tax asset and liabilities related to Pillar Two income tax. The Ultimate Parent of the Company operates in the South Korea where Pillar Two legislation has been enacted and is effective for fiscal years beginning on or after 1 January 2024. The Company operates in Thailand where Pillar Two legislation has been enacted and is effective for fiscal years beginning on or after 1 January 2025. The management of the Company has determined that the Company is not subject to Pillar Two “top-up” taxes since its effective tax rate is well above 15% in jurisdictions in which it operates.

## 20. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Final dividends for 2024	Annual General Meeting of the shareholders on 23 April 2025	179.3	0.023

## 21. Earnings per share

Basic earnings per share is calculated by dividing profit (loss) for the year (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

The following table sets forth the computation of basic earnings (loss) per share.

	Financial statements in which the equity method is applied		Separate financial statements	
	2025	2024	2025	2024
Profit (loss) for the year (Thousand Baht)	(62,044)	350,831	(62,735)	349,298
Weighted average number of ordinary shares (Thousand share)	7,795,709	7,795,709	7,795,709	7,795,709
Earnings (loss) per share (Baht)	(0.0080)	0.0450	(0.0080)	0.0448

## 22. Segment information

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.

Management considers that the Company operates in a single line of business, namely the stainless steel in both local and export markets, and has, therefore, only one major business segment.

### ***Geographical information and timing of revenue recognition***

The Company has revenue from sales to customer in several geographical location. The manufacture of stainless steel and sales offices are managed in Thailand. In presenting geographical information, revenue is based on the geographical location of the customer. There are no material assets located in other countries.

Information about revenue by geographical information of the customer for the year ended 31 December are the following;

	(Unit: Thousand Baht)	
	<u>2025</u>	<u>2024</u>
<u>Disaggregation of revenue by geographical location of the customer</u>		
Local sales and service income	9,162,489	9,712,147
Export sales and service income	4,088,227	4,667,026
Total revenue	<u>13,250,716</u>	<u>14,379,173</u>
<u>Major products and service lines</u>		
Revenue from sale of goods	13,066,930	14,223,229
Revenue from rendering of services	183,786	155,944
Total revenue	<u>13,250,716</u>	<u>14,379,173</u>
<u>Timing of revenue recognition</u>		
At a point in time	13,068,756	14,223,460
Over time	181,960	155,713
Total revenue	<u>13,250,716</u>	<u>14,379,173</u>

## Geographic information

Revenue from external customers is based on locations of the customers.

	(Unit: Thousand Baht)	
	<u>2025</u>	<u>2024</u>
Revenue from external customers		
Thailand	9,177,361	9,720,648
South Korea	2,018,810	1,666,773
United States	488,321	734,760
Germany	452,494	565,115
Vietnam	357,572	529,433
Turkey	252,714	132,625
India	173,489	300,316
Hongkong	73,531	53,769
Others	256,424	675,734
Total	<u>13,250,716</u>	<u>14,379,173</u>

## Major customers information

For the year ended 31 December 2025, the Company has revenue from one major customer in amount of Baht 1,524 million (2024: None).

### 23. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Contribution is made monthly by the employees at rates ranging from 4% to 15% of their basic salaries and by the Company at rates ranging from 6% to 8% of the employees' basic salaries. The fund, which is managed by Tisco Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2025 amounting to approximately Baht 12.8 million (2024: Baht 12.0 million) were recognised as expenses.

### 24. Commitments and contingent liabilities

#### 24.1 Capital commitments

As at 31 December 2025 and 2024, the Company had outstanding capital commitments relating to the purchase of machinery and equipment amounting to approximately Baht 52.7 million and Baht 63.1 million, respectively.

## **24.2 Purchase orders for goods and supplies**

As at 31 December 2025 and 2024, the Company has outstanding commitments amounting to approximately Baht 1,316 million and Baht 1,055 million, respectively. (which is including commitment with related party: Baht 1,305 million and Baht 585 million, respectively).

## **24.3 Service agreements**

The Company entered into a contract of Global IT Outsourcing Service with a related party, (POSCO DX Company Ltd.) covering 1 year. As at 31 December 2025, the Company has obligation to pay US dollar 287,125 (equivalent to Baht 9.1 million).

The Company entered into a contract of International Leased line for using International Private Leases Line (IPLC) and its maintenance with a related party, (POSCO DX Company Ltd.) covering 1 year. As at 31 December 2025, the Company has obligation to pay KRW 6,090,000 per month (equivalent to Baht 1.6 million).

## **24.4 Guarantees**

As at 31 December 2025 and 2024, there were outstanding bank guarantees issued by the banks on behalf of the Company in certain performance bonds as required in the normal course of business of Baht 1.0 million and Baht 1.0 million, respectively.

As at 31 December 2025 and 2024, there were outstanding letter of credit for purchased raw material and supplies but have not yet met the conditions to be recognised as liabilities totaling of Baht 8 million and Baht 1.0 million, respectively.

## **24.5 Cash Pooling and Loan facility agreements**

On 15 July 2018, the Company entered into the loan facility agreements with POSCO (Thailand) Co., Ltd. and POSCO Coated Steel (Thailand) Co., Ltd. to provide loan facilities to both companies under the cash pooling agreement in the amount not more than Baht 100 million. Such transactions were approved by the Company's Board of Director meeting held on 14 May 2018. The interest rate in each loans agreement was refer the interest rate which announced from the Bank of Thailand.

## **25. Financial instruments**

### **25.1 Financial risk management objectives and policies**

The Company's financial instruments principally comprise cash and cash equivalents, trade receivables, loans, and trade and other current payables. The financial risks associated with these financial instruments and how they are managed is described below.

#### **Credit risk**

The Company is exposed to credit risk primarily with respect to deposits with banks trade receivables and loans. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

#### **Trade receivables and loans**

The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables and loans are regularly monitored and the Company does not have high concentrations of credit risk since it has a large customer base in various industries.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

#### **Bank deposits**

The Company manages the credit risk from balances with banks by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company Executive Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on debt instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

#### **Market risk**

There are two types of market risk comprising foreign currency risk and interest rate risk. The Company enters into a variety of derivatives to manage its risk exposure, including:

### **Foreign currency risk**

The Company's exposure to the foreign currency risk relates primarily to its trading transactions that are denominated in foreign currencies.

As at 31 December 2025 and 2024, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Consolidated financial statements						
Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	18	31	11	3	31.5463	33.9488

The following tables demonstrate the sensitivity of the Company's profit before tax to a reasonably possible change in US dollar exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives as at 31 December 2025 and 2024. The Company's exposure to foreign currency changes for all other currencies is not material.

Currency	Increase (Decrease)		Effect on profit before tax	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	(%)	(%)	(Thousand Baht)	(Thousand Baht)
US dollar	+10	+10	22,082	95,057
	-10	-10	(22,082)	(95,057)

### **Interest rate risk**

The Company's exposure to interest rate risk relates primarily to its deposits with banks. Most of the Company's financial assets bear floating interest rates or fixed interest rates which are close to the market rate. Interest rate risk of the Company is low. The Company has disclosed interest rate of financial assets in the related notes to the financial statements.

## Liquidity risk

The Company has assessed its liquidity risk as low since the Company can access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Company's financial liabilities as at 31 December 2025 and 2024 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

As at 31 December 2025					
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
<b>Non-derivatives</b>					
<b>Financial liabilities</b>					
Trade payables	-	1,870,247	-	-	1,870,247
Other current payables	-	176,145	-	-	176,145
Lease liabilities	-	12,634	5,168	-	17,802
<b>Total financial liabilities</b>	-	2,059,026	5,168	-	2,064,194

(Unit: Thousand Baht)

As at 31 December 2024					
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
<b>Non-derivatives</b>					
<b>Financial liabilities</b>					
Trade payables	-	2,213,756	-	-	2,213,756
Other current payables	-	246,074	-	-	246,074
Lease liabilities	-	20,971	12,020	-	32,991
<b>Total financial liabilities</b>	-	2,480,801	12,020	-	2,492,821

## 25.2 Fair values of financial instruments

Since the majority of the Company's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

The methods and assumptions used by the Grouping estimating the fair value of financial instruments are as follows:

For financial assets and liabilities which have short-term maturities, including cash and cash equivalents, trade and other current receivables, loans, and trade and other current payables, the carrying amounts in the statement of financial position approximate their fair value.

During the current year, there were no transfers within the fair value hierarchy.

## **26. Litigations**

As at 31 December 2025 the Company has been involved in the following lawsuit:

### Breach of compromise agreement

In 2019, a company lodged a lawsuit against the Company regarding the breach of a compromise agreement, claiming that the breach caused damage to the Plaintiff and seeking compensation amounting to Baht 3 million, plus interest at a rate 7.5% per annum. On 31 August 2022, the Court of First Instance dismissed the case against the Company, but the plaintiff filed an appeal against the Court's decision, and the Company gave testimony with the Court. Subsequently on 21 October 2024, the Appeal Court upheld the first Court's judgement and ordered the Plaintiff to pay legal fee to the Company amounting to Baht 0.15 million. The Company received the legal fee from the Plaintiff in January 2025. The lawsuit has reached its end.

### The legal cases related to land in Nakhon Ratchasima Province

The Court accepted two lawsuits dated 2 May 2024 lodged by a government agency against the Company, which was named as a defendant, with respect to the legal cases related to land in Nakhon Ratchasima Province. Subsequently, on 1 July 2024, the government agency filed a petition with the Court requesting a case consolidation, for which the Court granted approval.

Subsequently, on 1 May 2025, the Court delivered its ruling on the case, imposing a fine of Baht 0.06 million on the Company. The Company's management has determined that the litigation will have no material impact on the Company's operations. In August 2025, the Company filed an appeal against the Court's decision. In December 2025, the government agency also filed the appeal against the Court's decision. At present the lawsuit is currently under consideration by the Appeal Court. The management and the legal advisor of the Company consider that the Company will not have any significant loss from the case.

## **27. Capital management**

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value

As at 31 December 2025, the debt to equity ratio in the financial statements in which equity method is applied was 0.25:1 (2024: 0.29:1) and in the separate financial statements was 0.25:1 (2024: 0.29:1).

## **28. Events after the reporting period**

On 13 February 2026, the Board of Director's meeting of the Company resolved to propose to the Annual General Meeting of Shareholders the approval of a Reverse Stock Split at a ratio of 10 existing shares to 1 new share. The par value will be changed from Baht 1 per share to Baht 10 per share. As a result, the total number of shares will be reduced by 7,016,138,190 shares, from 7,795,709,100 shares with a par value of Baht 1 per share, to 779,570,910 shares with a par value of Baht 10 per share.

## **29. Approval of financial statements**

These financial statements were authorised for issue by the Company's Board of Directors on 13 February 2026.

Attachment

## Back up attachment

Attachment 1 : Details of directors, executives, controlling persons, the person assigned to take the highest responsibility in Accounting and Finance, the person assigned to take direct responsibility for accounting supervision, the Company's secretary, and the representative for contact and coordination in case of a foreign company

Link to attachment : <https://eonemedia.setlink.set.or.th/report/0814/2025/1774062449397.pdf>



Attachment 2 : Details of the directors of subsidiaries

Link to attachment : <https://eonemedia.setlink.set.or.th/report/0814/2025/1773710314118.pdf>



Attachment 3 : Details of the Heads of the Internal Audit and Compliance Units

Link to attachment : <https://eonemedia.setlink.set.or.th/report/0814/2025/1773710313736.pdf>



Attachment 4 : Assets for business undertaking and details of asset appraisal

Link to attachment : <https://eonemedia.setlink.set.or.th/report/0814/2025/1773710313740.pdf>



Attachment 5 : Unabridged policy and guidelines on corporate governance and unabridged code of business conduct prepared by the Company

Link to attachment : <http://www.poscothainox.com/about-sustainability.php>



Attachment 6 : Report of the Audit Committee

Link to attachment : <https://eonemedia.setlink.set.or.th/report/0814/2025/1771802984102.pdf>

