## The financial statements were approved and authorized for issue by the Board of Directors on August 7, 2025.

1. GENERAL INFORMATION, THE SHAREHOLDING STRUCTURE AND GOING CONCERN

1.1 General information

G Steel Public Company Limited (the “Company”) is incorporated in Thailand and has its registered office as follows:

|  |  |  |
| --- | --- | --- |
| Head office | : | 88 Paso Tower, 18th Floor, Silom Road, Suriyawong, Bangrak, Bangkok |
|  |  |  |
| Factory | : | 55 Moo 5, SSP Industrial Estate, Tambol Nonglalog, Amphur Bankhai, Rayong |

The Company was listed on the Stock Exchange of Thailand (the “SET”) on January 25, 2006.

The principal activities of the Company are the manufacturing and distribution of hot rolled coil steel products.

1.2 The shareholding structure

The Company’s major shareholders are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | Proportionate of share (%) | | |
| Shareholders’ Name |  | June 30,  2025 |  | December 31, 2024 |
|  |  |  |  |  |
| Asia Credit Opportunities I (Mauritius) Limited  (“ACO I”) - incorporated in the Republic of Mauritius |  | 49.99 |  | 49.99 |
| Nippon Steel Corporation (“NSC”) - incorporated in Japan |  | 10.24 |  | 10.24 |
| UOB Kay Hian Private Limited - incorporated in Singapore |  | 7.50 |  | 7.50 |
| Superior Overseas (Thailand) Company Limited |  | 7.00 |  | 7.00 |

As at June 30, 2025 and December 31, 2024, the Company’s ultimate parent company is Nippon Steel Corporation, incorporated in Japan, whose shares are listed on the Stock Exchanges in Japan.

Details of the Company’s subsidiaries as at June 30, 2025 and December 31, 2024 are as follows:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  | Proportionate (%) | | |
| Name of the entity |  | Nature of Business |  | Country of incorporation |  | June 30,  2025 |  | December 31, 2024 |
|  |  |  |  |  |  |  |  |  |
| ***Direct subsidiaries*** |  |  |  |  |  |  |  |  |
| Siam Professional Holdings Co., Ltd.  (“SPH”) |  | Investment  holdings company |  | Thailand |  | 99.99 |  | 99.99 |
|  |  |  |  |  |  |  |  |  |
| GS Securities Holdings Co., Ltd.  (“GS Securities”) |  | Special-purpose restructuring entity |  | Thailand |  | 99.99 |  | 99.99 |

For reporting purposes, the Company and its subsidiaries are collectively called “the Group”.

1.3 Going concern

As at June 30, 2025 and December 31, 2024, parts of financial positions of the Group and of the Company are as follows:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | Consolidated Financial Statements (In Million Baht) | | | | | | |
|  |  |  | | |  | As at | | |
|  |  | June 30 | | |  | June 30, |  | December 31, |
| Risk effected to the going concern |  | 2025 |  | 2024 |  | 2025 |  | 2024 |
|  |  |  |  |  |  |  |  |  |
| 1. Loss attributable to owners of the |  |  |  |  |  |  |  |  |
| parent for the three-month period ended |  | (405) |  | (536) |  |  |  |  |
| 1. Loss attributable to owners of the |  |  |  |  |  |  |  |  |
| parent for the six-month period ended |  | (862) |  | (739) |  |  |  |  |
| 1. Deficit |  |  |  |  |  | (27,426) |  | (26,564) |
| 1. Current liabilities exceed current assets |  |  |  |  |  | 4,132 |  | 4,788 |
| 1. Equity attributable to owners of the parent - net (Capital deficiency) |  |  |  |  |  | (705) |  | 180 |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | Separate Financial Statements (In Million Baht) | | | | | | |
|  |  |  | | |  | As at | | |
|  |  | June 30 | | |  | June 30, |  | December 31, |
| Risk effected to the going concern |  | 2025 |  | 2024 |  | 2025 |  | 2024 |
|  |  |  |  |  |  |  |  |  |
| 1. Loss for the three-month period ended |  | (405) |  | (536) |  |  |  |  |
| 1. Loss for the six-month period ended |  | (862) |  | (739) |  |  |  |  |
| 1. Deficit |  |  |  |  |  | (27,533) |  | (26,671) |
| 1. Current liabilities exceed current assets |  |  |  |  |  | 4,132 |  | 4,788 |
| 1. Shareholders’ equity - net (Capital deficiency) |  |  |  |  |  | (726) |  | 157 |

Hence, the Group’s ability to repay the current liabilities depends on the management’s ability to obtain further long-term borrowings from the financial institutions and related parties and manage the Group’s future operations in a profitable manner.

The Company is taking the following steps to improve the financial condition:

**a) Source of Funding**

Presently, the Company has obtained both short-term and long-term uncommitted/committed credit facilities from 3 local financial institutions and a related party as discussed in Notes 27.

The Company is also receiving financial support from the ultimate parent company to carry the critical capital expenditure required for turning around the Company and funding for day to day operations.

Further, the Company maintains a policy of maximizing sales on advance payment terms and accelerating the debt collection from its debtors to ensure adequate turnaround of cash flows.

**b) Production and Sales**

While the external situation remains volatile, the Company is taking the following countermeasures to improve the long-term performance:

* The Company has already initiated a capital investment project of Baht 3,000 million to restore equipment health and invest in new machinery with technical and financial support from the ultimate parent company. This will help to strengthen production stability, improve quality of the products and enhance cost competitiveness.
* To increase sales volume and customer outreach by using the strong marketing team and customer base of the parent Group.
* Optimizing the scrap procurement function to ensure stable supply of scrap at competitive price.
* Continuous improvements in operating costs.
* Leverage its position as low carbon emission steel producer which will help in contributing to Thai Government’s goal of achieving carbon neutrality and export of Company’s products.
* The Company is continuously monitoring the imports and seeking support from the Government to curb unfair imports since year 2024, the following have been achieved:
* Enforcement of Anti-Circumvention measures to extend the imposition of anti-dumping duty on imports of Alloy Hot-Rolled Coil (“HRC”) from 17 manufacturers from Republic of China, effective from August 2, 2024 onwards.
* Extension for enforcement of Anti-dumping measures for boron-added HRC products originating from Republic of China for a further period of 5 years, effective from November 8, 2024, to November 7, 2029.

Under the current management by NSC and the strong support and commitment by NSC, the management firmly believes in the Group’s ability to continue its operations as a going concern and has no material uncertainty related to going concern anymore.

**2. BASIS OF PREPARATION OF THE INTERIM FINANCIAL STATEMENTS**

**AND PRINCIPLES OF CONSOLIDATION**

**(a) Statement of Compliance**

The Group maintains the official accounting records in Thai Baht and in the Thai language in conformity with Thai Financial Reporting Standards (“TFRS”). Accordingly, the interim financial statements are intended solely to present the financial positions, financial performance and cash flows in accordance with TFRS.

The interim financial statements have been prepared for providing an update on the financial statements for the year ended December 31, 2024. They focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements for the year ended December 31, 2024.

For the convenience of the readers, the Group has prepared an English translation of the financial statements from the Thai language statutory financial statements, which are issued solely for domestic financial reporting purposes.

**(b) Principles of Consolidation**

Subsidiaries are those entities controlled by the Company. Control exists when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affects these returns through its power over the entity. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Significant transactions among the Group have been eliminated in the consolidated interim financial statements.

The interim financial statements of the subsidiaries are prepared using consistent significant accounting policies as the Company.

**(c) Uses of Estimates and Judgements**

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing these interim financial statements, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended December 31, 2024.

**3. SIGNIFICANT ACCOUNTING POLICIES**

3.1 The accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended December 31, 2024, except that the Group has adopted all the new and/or revised Thai Financial Reporting Standards that are effective for annual periods beginning on or after January 1, 2025.

3.2 Accounting standards that became effective in the current accounting period

The Group disclosed the accounting standards, financial reporting standards, accounting standard interpretations and financial reporting standard interpretations that are effective for fiscal years beginning on or after January 1, 2025, in the notes to financial statements for the year ended December 31, 2024.

The Group’s management has assessed the effects of the above accounting standards, financial reporting standards, accounting standard interpretations and financial reporting standard interpretations, and considers that they do not have a significant impact to the interim financial information for the three-month and six-month periods ended June 30, 2025.

**4. TRANSACTIONS WITH RELATED PARTIES**

For the purposes of these financial statements, connected persons or related parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Connected persons or related parties may be individuals or other entities.

Relationships with related parties were as follows:

|  |  | **Country of** |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Name of entities** |  | **incorporation** |  | **Type of business** |  | **Nature of relationships** |
|  |  |  |  |  |  |  |
| Nippon Steel Corporation (“NSC”) |  | Japan |  | Steelmaking and fabrication,  engineering and construction, chemicals and materials, and system solutions |  | Indirect ultimate shareholder |
|  |  |  |  |  |  |  |
| Nippon Steel Trading Corporation  (“NST”) |  | Japan |  | Sales and Imports/export of steel, industrial supply and infrastructure, textiles, foodstuffs and others |  | Subsidiary of NSC |
|  |  |  |  |  |  |  |
| Krosaki Harima Corporation |  | Japan |  | Manufacture and sale of refractories |  | Subsidiary of NSC |
|  |  |  |  |  |  |  |
| Asia Credit Opportunities I (Mauritius) Limited (“ACO I”) |  | Republic of Mauritius |  | Special-purpose for investment |  | Major shareholder and subsidiary of NSC |

|  |  | **Country of** |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Name of entities** |  | **incorporation** |  | **Type of business** |  | **Nature of relationships** |
|  |  |  |  |  |  |  |
| SPH |  | Thailand |  | Investment holdings company |  | Subsidiary, 99.99% shareholding |
|  |  |  |  |  |  |  |
| GS Securities |  | Thailand |  | Special-purpose restructuring entity |  | Subsidiary, common directors, 99.99% shareholding |
|  |  |  |  |  |  |  |
| G J Steel Public Company Limited  (“G J Steel”) |  | Thailand |  | Manufacture and sale of hot rolled coil steel products |  | Same indirect ultimate shareholder |
|  |  |  |  |  |  |  |
| Nippon Steel (Thailand) Company  Limited (“NSTH”) |  | Thailand |  | Regional Operating Headquarters |  | Subsidiary of NSC |
|  |  |  |  |  |  |  |
| NS-Siam United Steel Co., Ltd.  (“NS-SUS”) |  | Thailand |  | Manufacture and sales of steel |  | Subsidiary of NSC |
|  |  |  |  |  |  |  |
| Asia Metal Public Company Limited |  | Thailand |  | Manufacture and sales of steel |  | Common shareholder with the Company |
|  |  |  |  |  |  |  |
| Superior Overseas (Thailand) Company Limited |  | Thailand |  | Management advisory |  | Related party of the shareholder of the Company |
|  |  |  |  |  |  |  |
| Thai Nippon Steel Engineering & Construction Corporation Co., Ltd. |  | Thailand |  | Construction |  | Subsidiary of NSC |
|  |  |  |  |  |  |  |
| Nippon Steel Logistics (Thailand)  Co., Ltd. |  | Thailand |  | Shipping and forwarding agents |  | Subsidiary of NSC |
|  |  |  |  |  |  |  |
| Thai NS Solutions Co., Ltd. |  | Thailand |  | Computer programming (except web pages and network programming) |  | Subsidiary of NSC |
|  |  |  |  |  |  |  |
| Key management personnel |  | - |  | - |  | 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 Group |

The pricing policies for particular types of transactions are explained further below:

|  |  |  |
| --- | --- | --- |
| **Transactions** |  | **Pricing policies** |
|  |  |  |
| Sales of finished goods |  | Mutually agreed prices with reference to market prices |
| Sales of raw materials and consumables |  | Mutually agreed prices with reference to market prices |
| Purchases of raw materials and consumables |  | Mutually agreed prices with reference to market prices |
| Other expenses |  | Contractual rates with reference to market prices and cost plus margin |
| Finance costs |  | Contractual rates with reference to market prices |

Significant transactions for each of the three-month periods ended June 30, 2025 and 2024 with related parties were as follows:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | In Million Baht | | | | | | |
|  |  | Consolidated Financial Statements | | |  | Separate Financial Statements | | |
|  |  | 2025 |  | 2024 |  | 2025 |  | 2024 |
| **Other related parties** |  |  |  |  |  |  |  |  |
| Sales of finished goods |  | 1,769 |  | - |  | 1,769 |  | - |
| Sales of raw materials and consumables |  | 7 |  | - |  | 7 |  | - |
| Purchases of raw materials and consumables |  | 532 |  | 43 |  | 532 |  | 43 |
| Other expenses |  | 10 |  | 1 |  | 10 |  | 1 |
| Finance costs |  | 33 |  | 33 |  | 33 |  | 33 |
|  |  |  |  |  |  |  |  |  |
| **Key management personnel** |  |  |  |  |  |  |  |  |
| Key management personnel compensation |  |  |  |  |  |  |  |  |
| Short-term benefits |  | 4 |  | 6 |  | 4 |  | 6 |

Significant transactions for each of the six-month periods ended June 30, 2025 and 2024 with related parties were as follows:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | In Million Baht | | | | | | |
|  |  | Consolidated Financial Statements | | |  | Separate Financial Statements | | |
|  |  | 2025 |  | 2024 |  | 2025 |  | 2024 |
| **Other related parties** |  |  |  |  |  |  |  |  |
| Sales of finished goods |  | 2,074 |  | - |  | 2,074 |  | - |
| Sales of raw materials and consumables |  | 10 |  | - |  | 10 |  | - |
| Purchases of raw materials and consumables |  | 694 |  | 44 |  | 694 |  | 44 |
| Other expenses |  | 16 |  | 2 |  | 16 |  | 2 |
| Finance costs |  | 68 |  | 66 |  | 68 |  | 66 |
|  |  |  |  |  |  |  |  |  |
| **Key management personnel** |  |  |  |  |  |  |  |  |
| Key management personnel compensation |  |  |  |  |  |  |  |  |
| Short-term benefits |  | 9 |  | 11 |  | 9 |  | 11 |
| Long-term benefits |  | 0.1 |  | 0.1 |  | 0.1 |  | 0.1 |

Balances as at June 30, 2025 and December 31, 2024 with related parties were as follows:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | In Million Baht | | | | | | |
|  |  | Consolidated Financial Statements | | |  | Separate Financial Statements | | |
|  | *Note* | June 30,  2025 |  | December 31,  2024 |  | June 30,  2025 |  | December 31,  2024 |
| **Trade account receivable** |  |  |  |  |  |  |  |  |
| **Other related party** |  |  |  |  |  |  |  |  |
| NS-SUS | *6* | 1 |  | - |  | 1 |  | - |
|  |  |  |  |  |  |  |  |  |
| **Other current receivables from   related parties** |  |  |  |  |  |  |  |  |
| **Subsidiary** |  |  |  |  |  |  |  |  |
| GS Securities |  | - |  | - |  | 7 |  | 7 |
| Less: Allowance for expected credit losses |  | - |  | - |  | (5) |  | (5) |
| Net |  | - |  | - |  | 2 |  | 2 |
|  |  |  |  |  |  |  |  |  |
| **Other related party** |  |  |  |  |  |  |  |  |
| G J Steel |  | 4 |  | - |  | 4 |  | - |
| Total |  | 4 |  | - |  | 6 |  | 2 |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | In Million Baht | | | | | | |
|  |  | Consolidated Financial Statements | | |  | Separate Financial Statements | | |
|  | *Note* | June 30,  2025 |  | December 31,  2024 |  | June 30,  2025 |  | December 31,  2024 |
| **Other non-current assets** | *13* |  |  |  |  |  |  |  |
| **Loans to and accrued interest income from related party** |  |  |  |  |  |  |  |  |
| **Subsidiary** |  |  |  |  |  |  |  |  |
| **Loans to** |  |  |  |  |  |  |  |  |
| SPH |  | - |  | - |  | 7 |  | 7 |
| Less: Allowance for expected credit losses |  | - |  | - |  | (7) |  | (7) |
| Net |  | - |  | - |  | - |  | - |
|  |  |  |  |  |  |  |  |  |
| **Accrued interest income** |  |  |  |  |  |  |  |  |
| SPH |  | - |  | - |  | 1 |  | 1 |
| Less: Allowance for expected credit losses |  | - |  | - |  | (1) |  | (1) |
| Net |  | - |  | - |  | - |  | - |

Movements of loans to subsidiary during the six-month period ended June 30, 2025 were as follows:

|  | In Million Baht | | |
| --- | --- | --- | --- |
|  | Consolidated  Financial Statements |  | Separate  Financial Statements |
| **Loans to subsidiary** |  |  |  |
| As at January 1, 2025 | - |  | 7 |
| Addition | - |  | - |
| **As at June 30, 2025** | - |  | 7 |

|  |  | In Million Baht | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | Consolidated Financial Statements | | |  | Separate Financial Statements | | |
|  | *Notes* | June 30,  2025 |  | December 31,  2024 |  | June 30,  2025 |  | December 31,  2024 |
| **Trade account payables** | *15* |  |  |  |  |  |  |  |
| **Other related parties** |  |  |  |  |  |  |  |  |
| NST |  | 113 |  | - |  | 113 |  | - |
| NS-SUS |  | 28 |  | - |  | 28 |  | - |
| Total |  | 141 |  | - |  | 141 |  | - |
|  |  |  |  |  |  |  |  |  |
| **Other payables and accrued expenses** | *16* |  |  |  |  |  |  |  |
| **Other related parties** |  |  |  |  |  |  |  |  |
| ACO I |  | 204 |  | 205 |  | 204 |  | 205 |
| G J Steel |  | 4 |  | - |  | 4 |  | - |
| Total |  | 208 |  | 205 |  | 208 |  | 205 |
|  |  |  |  |  |  |  |  |  |
| **Advances received from customers** |  |  |  |  |  |  |  |  |
| **Other related parties** |  |  |  |  |  |  |  |  |
| NS-SUS |  | 196 |  | - |  | 196 |  | - |
| Asia Metal Public Company Limited |  | 1 |  | 1 |  | 1 |  | 1 |
| Total |  | 197 |  | 1 |  | 197 |  | 1 |

|  |  | In Million Baht | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | Consolidated Financial Statements | | |  | Separate Financial Statements | | |
|  | *Notes* | June 30,  2025 |  | December 31,  2024 |  | June 30,  2025 |  | December 31,  2024 |
| **Accrued interest expense** | *17* |  |  |  |  |  |  |  |
| **Subsidiary** |  |  |  |  |  |  |  |  |
| GS Securities |  | - |  | - |  | 2 |  | 2 |
|  |  |  |  |  |  |  |  |  |
| **Other related parties** |  |  |  |  |  |  |  |  |
| ACO I |  | 108 |  | 94 |  | 108 |  | 94 |
| NSTH |  | 33 |  | 38 |  | 33 |  | 38 |
| Superior Overseas (Thailand) Co., Ltd. |  | - |  | 5 |  | - |  | 5 |
| Total |  | 141 |  | 137 |  | 143 |  | 139 |
|  |  |  |  |  |  |  |  |  |
| **Liabilities from compromise** | *18* |  |  |  |  |  |  |  |
| **Other related party** |  |  |  |  |  |  |  |  |
| Superior Overseas (Thailand) Co., Ltd. |  | - |  | 103 |  | - |  | 103 |
|  |  |  |  |  |  |  |  |  |
| **Short-term borrowings from**  **related party** | *19* |  |  |  |  |  |  |  |
| **Other related party** |  |  |  |  |  |  |  |  |
| NSTH |  | 3,150 |  | 3,100 |  | 3,150 |  | 3,100 |

Movements of short-term borrowings from related party during the six-month period ended June 30, 2025 were as follows:

|  |  |  | Consolidated/Separate  Financial Statements |
| --- | --- | --- | --- |
|  |  |  | (in Million Baht) |
| **Short-term borrowings from related party** |  |  |  |
| As at January 1, 2025 |  |  | 3,100 |
| Additions |  |  | 1,750 |
| Repayments |  |  | (1,700) |
| **As at June 30, 2025** |  |  | 3,150 |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | In Million Baht | | | | | | |
|  |  | Consolidated Financial Statements | | |  | Separate Financial Statements | | |
|  | *Note* | June 30,  2025 |  | December 31,  2024 |  | June 30,  2025 |  | December 31,  2024 |
| **Long-term borrowings from**  **related parties** | *19* |  |  |  |  |  |  |  |
| **Other related parties** |  |  |  |  |  |  |  |  |
| Portion due within one year |  |  |  |  |  |  |  |  |
| ACO I |  | - |  | 169 |  | - |  | 169 |
| Portion due after one year |  |  |  |  |  |  |  |  |
| ACO I |  | 169 |  | - |  | 169 |  | - |
| NSTH |  | 2,560 |  | 1,085 |  | 2,560 |  | 1,085 |
|  |  | 2,729 |  | 1,085 |  | 2,729 |  | 1,085 |
|  |  |  |  |  |  |  |  |  |
| Total |  | 2,729 |  | 1,254 |  | 2,729 |  | 1,254 |

Movements of long-term borrowings from related parties during the six-month period ended June 30, 2025 were as follows:

|  |  |  | Consolidated/Separate  Financial Statements |
| --- | --- | --- | --- |
|  |  |  | (In Million Baht) |
| **Long-term borrowings from related parties** |  |  |  |
| As at January 1, 2025 |  |  | 1,254 |
| Additions |  |  | 1,475 |
| **As at June 30, 2025** |  |  | 2,729 |

**Significant agreements with related parties**

***Credit Management Service Agreement - NSTH***

On May 28, 2025, the Company entered into an Amendment Agreement to Cash Management Service Agreement with NSTH with credit facility of Baht 600 million to extend the maturity date for one more year up to April 30, 2026.

***Credit Agreements - NSTH***

* On February 26, 2025, the Company entered into an unsecured short-term loan agreement with NSTH to provide financial assistance for general company purpose including working capital for the Company amounting to Baht 1,100 million for a period from February 26, 2025 to June 30, 2025 with the interest rate at the policy rate announced by the Bank of Thailand (“BOT”) plus 0.18% per annum.
* On June 17, 2025, the Company entered into an unsecured Credit Agreement with NSTH to provide financial assistance for general company purpose including working capital for the Company amounting to Baht 3,369 million for a period from June 17, 2025 to May 31, 2026. The interest will be charged at the policy rate announced by BOT plus 0.18% per annum and will be paid every 6 months.
* On June 17, 2025, the Company entered into a secured Credit Agreement with NSTH to provide financial assistance for general company purpose including working capital for the Company amounting to Baht 1,100 million with the drawdown period from June 30, 2025 to December 31, 2025. The repayment of such borrowing will be made on the maturity date on December 31, 2029 or prepayment before the final maturity date. The interest will be charged at the policy rate announced by BOT plus 0.23% per annum and will be paid every 6 months.

***Amendment to Loan Agreement - ACO I***

On April 30, 2025 and August 6, 2025, the Company entered into an Amendment Agreements to Loan Agreement with ACO I to extend the maturity date of debts amounting to Baht 169 million and related accrued compound interest with one-time principal repayment on December 1, 2026 and changed the interest rate from 6.00% per annum to the policy rate announced by BOT plus maximum margin of 0.97% per annum. The interest will be paid every 6 months and effective date on May 1, 2025.

***Amendment to Debt Restructuring Agreements - ACO I***

On August 6, 2025, the Company entered into Amendment Agreements to Debt Restructuring Agreement and Debt Amendment Agreement with ACO I to convert U.S. Dollars denominated debts amounting to USD 3.44 million into Thai Baht debts at the exchange rate of Baht 33.9189 to USD (BOT’s exchange rate as at March 10, 2025) amounting to Baht 116.6 million and changed the interest rate from LIBOR plus 2.10% per annum to the policy rate announced by BOT plus margin of 0.97% per annum. The interest will be paid every 6 months and effective date on May 1, 2025.

On April 30, 2025 and August 6, 2025, the Company entered into Amendment Agreements to Debt Restructuring Agreement and Debt Amendment Agreement with ACO I to extend the maturity date of debts for Thai Baht denominated debts of the amounting to Baht 87 million and related accrued compound interest with one-time principal repayment on December 1, 2026, and changed the interest rate from 6.00% per annum to the policy rate announced by BOT plus margin of 0.97% per annum. The interest will be paid every 6 months and effective date on May 1, 2025.

***Guarantee Fee Agreement - NSC***

On June 17, 2025, the Company entered into Guarantee Fee Agreement with NSC, whereby NSC shall provide guarantee for loan agreements which the Company granted from 3 local financial institutions for a maximum guarantee amount of Baht 2,100 million as discussed in Note 14. The guarantee period shall be effective from June 30, 2025 to June 30, 2026 according to the tenor of the underlying loan agreements, and may be further amended, extended or renewed upon mutual agreement of both parties. In this regard, the Company is committed to pay guarantee fee at the rate of 0.13% per annum.

**5. CASH AND CASH EQUIVALENTS**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | |  | Consolidated/Separate  Financial Statements | | |
|  |  | | |  | (In Million Baht) | | |
|  |  |  |  |  | June 30,  2025 |  | December 31,  2024 |
|  |  |  |  |  |  |  |  |
| Cash at banks - savings accounts |  |  |  |  | 126 |  | 200 |

The currency denomination of cash and cash equivalents as at June 30, 2025 and December 31, 2024 were as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | |  | Consolidated/Separate  Financial Statements | | |
|  |  | | |  | (In Million Baht) | | |
|  |  |  |  |  | June 30,  2025 |  | December 31,  2024 |
|  |  |  |  |  |  |  |  |
| Thai Baht |  |  |  |  | 111 |  | 183 |
| United States Dollars |  |  |  |  | 15 |  | 17 |
| Total |  |  |  |  | 126 |  | 200 |

**6. TRADE ACCOUNT RECEIVABLE**

|  | Consolidated/Separate  Financial Statements | | |
| --- | --- | --- | --- |
|  | (In Million Baht) | | |
|  | June 30,  2025 |  | December 31,  2024 |
|  |  |  |  |
| Trade account receivable - related party | 1 |  | - |

Aging analyses for trade account receivable were as follows:

|  | Consolidated/Separate  Financial Statements | | |
| --- | --- | --- | --- |
|  | (In Million Baht) | | |
|  | June 30,  2025 |  | December 31,  2024 |
|  |  |  |  |
| Within credit-term | 1 |  | - |

**Customer credit terms**

The normal terms of sale granted by the Company are by cash, domestic letter of credit and credit not over 3 working days and letters of credit at sight for export sales.

The currency denomination of trade account receivables, gross amount as at June 30, 2025 and December 31, 2024 was as follows:

|  |  |  |  |
| --- | --- | --- | --- |
|  | Consolidated/Separate  Financial Statements | | |
|  | (In Million Baht) | | |
|  | June 30,  2025 |  | December 31,  2024 |
|  |  |  |  |
| Thai Baht | 1 |  | - |

**7. INVENTORIES - Net**

|  | Consolidated/Separate  Financial Statements | | |
| --- | --- | --- | --- |
|  | (In Million Baht) | | |
|  | June 30,  2025 |  | December 31,  2024 |
|  |  |  |  |
| Finished goods | 685 |  | 232 |
| Raw materials | 956 |  | 528 |
| Consumables | 455 |  | 445 |
| Spare parts | 577 |  | 518 |
| Goods in transit | 62 |  | 92 |
| Total | 2,735 |  | 1,815 |
| Less: Allowance for decline in value of inventories | (230) |  | (142) |
| Less: Allowance for raw materials lost | (92) |  | (92) |
| Net | 2,413 |  | 1,581 |
|  |  |  |  |
| Allowance for decline in value of inventories during the period/year | 88 |  | 78 |

**8. OTHER CURRENT ASSETS - Net**

|  |  |  |  |
| --- | --- | --- | --- |
|  | Consolidated/Separate  Financial Statements | | |
|  | (In Million Baht) | | |
|  | June 30,  2025 |  | December 31,  2024 |
|  |  |  |  |
| Value added tax receivable | 144 |  | 65 |
| Advances to suppliers - other parties | 59 |  | 39 |
| Refundable corporate income tax | 9 |  | 9 |
| Suspense input tax | 6 |  | 10 |
| Prepaid expenses and others - net | 46 |  | 134 |
| Total | 264 |  | 257 |

**9. INVESTMENTS IN SUBSIDIARIES - Net**

As at June 30, 2025 and December 31, 2024, the investments in subsidiaries were as follows:

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | |  |  | | |  | Separate Financial Statements (In Million Baht) | | | | | | | | | | |
|  | Paid Share Capital  (In Million Baht) | | |  | Proportionate (%) | | |  | Cost value | | |  | Allowance for  impairment loss | | |  | At cost - Net | | |
|  | June 30,  2025 |  | December 31, 2024 |  | June 30,  2025 |  | December 31, 2024 |  | June 30,  2025 |  | December 31, 2024 |  | June 30,  2025 |  | December 31, 2024 |  | June 30,  2025 |  | December 31, 2024 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| SPH | 341 |  | 341 |  | 99.99 |  | 99.99 |  | 341 |  | 341 |  | (341) |  | (341) |  | - |  | - |
| GS Securities | 67 |  | 67 |  | 99.99 |  | 99.99 |  | 22 |  | 22 |  | - |  | - |  | 22 |  | 22 |
| Total |  |  |  |  |  |  |  |  | 363 |  | 363 |  | (341) |  | (341) |  | 22 |  | 22 |

**10. OTHER LONG-TERM INVESTMENT**

As at June 30, 2025 and December 31, 2024, other long-term investment represented investment in G J Steel at 9.45% shareholding (direct holding of 8.24% held by the Company and indirect holding held by GS Securities of 1.21%) that is not held for trading but held for strategic purposes and is stated at fair value. Unrealized loss on changes in the fair value of this security were recorded through other comprehensive income in the consolidated and separate financial statements for the six-month period ended June 30, 2025 of Baht 24 million and Baht 21 million, respectively. Details were as follow:

|  | In Million Baht | | |
| --- | --- | --- | --- |
|  | Consolidated  Financial Statements |  | Separate  Financial Statements |
|  |  |  |  |
| Balance as at January 1, 2025 | 361 |  | 315 |
| Changes in fair value | (24) |  | (21) |
| **Balance as at June 30, 2025** | 337 |  | 294 |

**G J Steel’s shares pledge as collateral**

As at June 30, 2025 and December 31, 2024, the Company pledged its G J Steel’s shares as collateral for the benefit of creditors as follows:

|  | Consolidated/Separate Financial Statements | | |
| --- | --- | --- | --- |
|  | Number of shares (In Million Shares) | | |
|  | June 30, 2025 |  | December 31, 2024 |
| ***G J Steel’s shares*** |  |  |  |
| Liabilities from compromise - Other party | 800 |  | 800 |
| Long-term borrowings from related party - ACO I | 1,100 |  | 1,100 |
| Total | 1,900 |  | 1,900 |

As at June 30, 2025, the Company has fully repaid the amount of such liabilities from compromise with other party and related accrued interest expense as discussed in Note 18. Up to the present, the Company is in process of redemption such pledged shares.

**11. PROPERTY, PLANT AND EQUIPMENT - Net**

The movements of property, plant and equipment - net during the six-month period ended June 30, 2025 were as follow:

|  | Consolidated/Separate  Financial Statements |
| --- | --- |
|  | (in Million Baht) |
|  |  |
| Net book value as at January 1, 2025 | 5,957 |
| Additions | 307 |
| Disposals and write-off | (2) |
| Depreciation charge for the period | (231) |
| **Net book value as at June 30, 2025** | 6,031 |

Certain land of the Company, which had net book value as at June 30, 2025 and December 31, 2024 of Baht 66 million, were mortgaged as collateral for liabilities from compromise as discussed in Note 18.

As at June 30, 2025, the Company has fully repaid the amount of such liabilities from compromise and related accrued interest expense. Subsequently on August 7, 2025, the Board of Directors approved to enter into the security release and discharge agreement and also approved the release of land mortgage with such creditor.

Property, plant and equipment of the Company, which had net book value as at June 30, 2025 and December 31, 2024 totalling Baht 2,987 million and Baht 3,084 million, respectively, are subject to the required approvals of such mortgage assets from 3 local financial institutions as collateral for secured borrowings from NSTH as discussed in Notes 19 and 27.

**12. DEFERRED TAX**

Reconciliation between tax expense and accounting loss multiplied by the applicable tax rate for each of the three-month periods ended June 30, 2025 and 2024 are as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | In Million Baht | | | | | | |
|  | Consolidated Financial Statements | | |  | Separate Financial Statements | | |
|  | 2025 |  | 2024 |  | 2025 |  | 2024 |
|  |  |  |  |  |  |  |  |
| Accounting loss before tax | (405) |  | (536) |  | (405) |  | (536) |
|  |  |  |  |  |  |  |  |
| Income tax rate at 20% | (81) |  | (107) |  | (81) |  | (107) |
| Add (Less): Tax effect on |  |  |  |  |  |  |  |
| - Unrecognized certain temporary differences | 12 |  | 34 |  | 12 |  | 34 |
| - Unrecognized tax loss carry forward | 69 |  | 73 |  | 69 |  | 73 |
| Tax expense | - |  | - |  | - |  | - |

Reconciliation between tax expense and accounting loss multiplied by the applicable tax rate for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | In Million Baht | | | | | | |
|  | Consolidated Financial Statements | | |  | Separate Financial Statements | | |
|  | 2025 |  | 2024 |  | 2025 |  | 2024 |
|  |  |  |  |  |  |  |  |
| Accounting loss before tax | (862) |  | (739) |  | (862) |  | (739) |
|  |  |  |  |  |  |  |  |
| Income tax rate at 20% | (172) |  | (148) |  | (172) |  | (148) |
| Add (Less): Tax effect on |  |  |  |  |  |  |  |
| - Exempt income and additional tax-deductible expenses | (2) |  | - |  | (2) |  | - |
| - Unrecognized certain temporary differences | 30 |  | 34 |  | 30 |  | 34 |
| - Unrecognized tax loss carry forward | 144 |  | 114 |  | 144 |  | 114 |
| Tax expense | - |  | - |  | - |  | - |

Deferred tax assets arising from temporary differences and unused tax losses that have not been recognized in the financial statements were as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | In Million Baht | | | | | | |
|  | Consolidated Financial Statements | | |  | Separate Financial Statements | | |
|  | June 30,  2025 |  | December 31,  2024 |  | June 30,  2025 |  | December 31,  2024 |
| Temporary differences |  |  |  |  |  |  |  |
| - Allowance for decline in value of inventories | 46 |  | 28 |  | 46 |  | 28 |
| - Allowance for impairment losses on property, plant and equipment and depreciation gap | 1,747 |  | 1,752 |  | 1,747 |  | 1,752 |
| - Allowance for impairment losses on  unusable machines held for sale | 993 |  | 993 |  | 993 |  | 993 |
| - Other current payables and accrued expenses | 32 |  | 32 |  | 32 |  | 32 |
| - Other current liabilities | 2 |  | 9 |  | 2 |  | 9 |
| - Non-current provision for employee retirement benefit | 22 |  | 22 |  | 22 |  | 22 |
|  | 2,842 |  | 2,836 |  | 2,842 |  | 2,836 |
| Tax loss carried forwards | 723 |  | 555 |  | 723 |  | 555 |
| Total | 3,565 |  | 3,391 |  | 3,565 |  | 3,391 |

Tax loss carried forwards will expire in 2028 to 2030. The deductible temporary differences do not expire under current tax legislation. Deferred tax assets have not been recognized in the financial statements of the Company in respect of these items because it is not certain that future taxable profit will be generated against which the Company can utilize the benefits there from.

**13. OTHER NON-CURRENT ASSETS - Net**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | In Million Baht | | | | | | |
|  | Consolidated Financial Statements | | |  | Separate Financial Statements | | |
|  | June 30,  2025 |  | December 31,  2024 |  | June 30,  2025 |  | December 31,  2024 |
|  |  |  |  |  |  |  |  |
| Unusable machines held for sale | 4,979 |  | 4,979 |  | 4,979 |  | 4,979 |
| Less: Allowance for impairment losses | (4,963) |  | (4,963) |  | (4,963) |  | (4,963) |
|  | 16 |  | 16 |  | 16 |  | 16 |
|  |  |  |  |  |  |  |  |
| Loans to and accrued interest income from subsidiary | - |  | - |  | 8 |  | 8 |
| Less: Allowance for impairment losses | - |  | - |  | (8) |  | (8) |
|  | - |  | - |  | - |  | - |
|  |  |  |  |  |  |  |  |
| Others | 7 |  | 9 |  | 7 |  | 9 |
| Net | 23 |  | 25 |  | 23 |  | 25 |

**14. SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated/Separate Financial Statements | | | | | | |
|  | Interest Rates (% p.a.) | | |  | In Million Baht | | |
|  | June 30,  2025 |  | December 31,  2024 |  | June 30,  2025 |  | December 31,  2024 |
|  |  |  |  |  |  |  |  |
| Short-term borrowings - Baht currency | 1.90 and 2.01 |  | 2.40 and 2.51 |  | 1,750 |  | 1,400 |

Movements of short-term borrowings from financial institutions during the six-month period ended June 30, 2025 were as follows:

|  | Consolidated/Separate  Financial Statements |
| --- | --- |
|  | (In Million Baht) |
|  |  |
| As at January 1, 2025 | 1,400 |
| Additions | 350 |
| **As at June 30, 2025** | 1,750 |

As at June 30, 2025 and December 31, 2024, the Company had uncommitted short-term borrowings from 3 local financial institutions which are repayable on demand. Such borrowings are guaranteed by NSC for a maximum guarantee amount of Baht 2,100 million as discussed in Note 4.

**15. TRADE ACCOUNT PAYABLES**

|  |  |  |  |
| --- | --- | --- | --- |
|  | Consolidated/Separate  Financial Statements | | |
|  | (In Million Baht) | | |
|  | June 30,  2025 |  | December 31,  2024 |
|  |  |  |  |
| Related parties | 141 |  | - |
| Other parties | 212 |  | 189 |
| Total | 353 |  | 189 |

The currency denomination of trade account payables as at June 30, 2025 and December 31, 2024 were as follows:

|  |  |  |  |
| --- | --- | --- | --- |
|  | Consolidated/Separate  Financial Statements | | |
|  | (In Million Baht) | | |
|  | June 30,  2025 |  | December 31,  2024 |
|  |  |  |  |
| Thai Baht | 172 |  | 77 |
| United States Dollars | 164 |  | 93 |
| Others | 17 |  | 19 |
| Total | 353 |  | 189 |

**16. OTHER PAYABLES AND ACCRUED EXPENSES**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | In Million Baht | | | | | | |
|  | Consolidated Financial Statements | | |  | Separate Financial Statements | | |
|  | June 30,  2025 |  | December 31,  2024 |  | June 30,  2025 |  | December 31,  2024 |
|  |  |  |  |  |  |  |  |
| ***Current*** |  |  |  |  |  |  |  |
| Other account payables |  |  |  |  |  |  |  |
| Related party | 4 |  | 87 |  | 4 |  | 87 |
| Other parties | 153 |  | 166 |  | 153 |  | 166 |
| Electricity and energy service payables | 57 |  | 22 |  | 57 |  | 22 |
| Accrued bonus and incentive program | 24 |  | 35 |  | 24 |  | 35 |
| Others | 224 |  | 226 |  | 225 |  | 226 |
|  | 462 |  | 536 |  | 463 |  | 536 |
|  |  |  |  |  |  |  |  |
| ***Non-current*** |  |  |  |  |  |  |  |
| Other non-current payables - Related party | 204 |  | 118 |  | 204 |  | 118 |
| Electricity payable | 1 |  | 3 |  | 1 |  | 3 |
|  | 205 |  | 121 |  | 205 |  | 121 |
| Total | 667 |  | 657 |  | 668 |  | 657 |

The currency denomination of other payables and accrued expenses as at June 30, 2025 and December 31, 2024 were as follows:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | In Million Baht | | | | | | | |
|  | Consolidated Financial Statements | | |  | | Separate Financial Statements | | |
|  | June 30,  2025 |  | December 31,  2024 |  | June 30,  2025 | |  | December 31,  2024 |
|  |  |  |  |  |  | |  |  |
| Thai Baht | 639 |  | 520 |  | 640 | |  | 520 |
| United States Dollars | 28 |  | 136 |  | 28 | |  | 136 |
| Others | - |  | 1 |  | - | |  | 1 |
| Total | 667 |  | 657 |  | 668 | |  | 657 |

**17. ACCRUED INTEREST EXPENSE**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | In Million Baht | | | | | | |
|  | Consolidated Financial Statements | | |  | Separate Financial Statements | | |
|  | June 30,  2025 |  | December 31,  2024 |  | June 30,  2025 |  | December 31,  2024 |
|  |  |  |  |  |  |  |  |
| ***Current*** |  |  |  |  |  |  |  |
| Short-term borrowings from financial institutions | 3 |  | 3 |  | 3 |  | 3 |
| Debentures | 262 |  | 264 |  | 262 |  | 264 |
| Liabilities from terminated rehabilitation plan |  |  |  |  |  |  |  |
| and compromise |  |  |  |  |  |  |  |
| Related party | - |  | 2 |  | - |  | 2 |
| Other parties | 3 |  | 5 |  | 3 |  | 5 |
| Borrowings from related parties | 115 |  | 113 |  | 117 |  | 115 |
| Others |  |  |  |  |  |  |  |
| Related party | 26 |  | 19 |  | 26 |  | 19 |
| Other parties | 27 |  | 26 |  | 27 |  | 26 |
|  | 436 |  | 432 |  | 438 |  | 434 |
|  |  |  |  |  |  |  |  |
| ***Non-current*** |  |  |  |  |  |  |  |
| Liabilities from terminated rehabilitation plan |  |  |  |  |  |  |  |
| and compromise - Related party | - |  | 3 |  | - |  | 3 |
| Total | 436 |  | 435 |  | 438 |  | 437 |

The currency denomination of accrued interest expense as at June 30, 2025 and December 31, 2024 was as follows:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | In Million Baht | | | | | | | |
|  | Consolidated Financial Statements | | |  | | Separate Financial Statements | | |
|  | June 30,  2025 |  | December 31,  2024 |  | June 30,  2025 | |  | December 31,  2024 |
|  |  |  |  |  |  | |  |  |
| Thai Baht | 147 |  | 145 |  | 148 | |  | 147 |
| United States Dollars | 280 |  | 281 |  | 280 | |  | 281 |
| Others | 9 |  | 9 |  | 10 | |  | 9 |
| Total | 436 |  | 435 |  | 438 | |  | 437 |

**18. LIABILITIES FROM TERMINATED REHABILITATION PLAN AND COMPROMISE**

|  |  |  |  |
| --- | --- | --- | --- |
|  | Consolidated/Separate  Financial Statements | | |
|  | (In Million Baht) | | |
|  | June 30,  2025 |  | December 31,  2024 |
|  |  |  |  |
| Liabilities from terminated rehabilitation plan - Other parties | 62 |  | 62 |
| Liabilities from compromise |  |  |  |
| Related party | - |  | 103 |
| Other party | - |  | 325 |
| Total | 62 |  | 490 |
|  |  |  |  |
| Current | 62 |  | 417 |
| Non-current | - |  | 73 |
| Total | 62 |  | 490 |

The movements of liabilities from terminated rehabilitation plan and compromise for the six-month period ended June 30, 2025 were as follows:

|  | Consolidated/Separate  Financial Statements |
| --- | --- |
|  | (In Million Baht) |
|  |  |
| As at January 1, 2025 | 490 |
| Repayments | (428) |
| **As at June 30, 2025** | 62 |

The currency denomination of liabilities from terminated rehabilitation plan and compromise as at June 30, 2025 and December 31, 2024 was as follows:

|  |  |  |  |
| --- | --- | --- | --- |
|  | Consolidated/Separate  Financial Statements | | |
|  | (In Million Baht) | | |
|  | June 30,  2025 |  | December 31,  2024 |
|  |  |  |  |
| Thai Baht | 62 |  | 490 |

***Liabilities from terminated rehabilitation plan***

Liabilities from terminated rehabilitation plan of the Company were due to be paid in year 2018 but fell into default. Accordingly, the Company recorded accrued interest at default rate from the date of default as specified in the rehabilitation plan and presented the outstanding liabilities from terminated rehabilitation plan as at June 30, 2025 and December 31, 2024 as current liabilities in the separate and consolidated statements of financial position.

***Liabilities from compromise - Other party***

As at December 31, 2024, liabilities from compromise with other party were guaranteed by pledged G J Steel’s shares and certain mortgaged land of the Company as discussed in Notes 10 and 11 and personal assets of the Company’s director and 2 related parties.

As at June 30, 2025, the Company has fully repaid the amount of such liabilities from compromise with other party and related accrued interest expense. Up to the present, the Company is in process of redemption such pledged shares as discussed in Note 10. Subsequently on August 7, 2025, the Board of Directors approved to enter into the security release and discharge agreement and also approved the release of land mortgage with such creditor as discussed in Note 11.

**19. BORROWINGS FROM RELATED PARTIES - Net**

|  |  |  |  |
| --- | --- | --- | --- |
|  | Consolidated/Separate  Financial Statements | | |
|  | (In Million Baht) | | |
|  | June 30,  2025 |  | December 31,  2024 |
|  |  |  |  |
| Short-term borrowings from NSTH | 3,150 |  | 3,100 |
|  |  |  |  |
| Long-term borrowings |  |  |  |
| - Portion due within one year |  |  |  |
| - ACO I | - |  | 169 |
| - Portion due after one year |  |  |  |
| - ACO I | 169 |  | - |
| - NSTH | 2,560 |  | 1,085 |
|  | 2,729 |  | 1,085 |
| Total long-term borrowings | 2,729 |  | 1,254 |
|  |  |  |  |
| Grand total | 5,879 |  | 4,354 |

The currency denomination of borrowings from related parties as at June 30, 2025 and December 31, 2024 were as follows:

|  | Consolidated/Separate  Financial Statements | | |
| --- | --- | --- | --- |
|  | (In Million Baht) | | |
|  | June 30,  2025 |  | December 31,  2024 |
|  |  |  |  |
| Thai Baht | 5,879 |  | 4,354 |

Such long-term borrowings are secured by pledging of G J Steel’s shares and mortgaging of property, plant and equipment of the Company, which are subject to the required approvals of such mortgage assets from 3 local financial institutions as discussed in Notes 10 and 11.

**20. CURRENT PORTION OF DEBENTURES**

As at June 30, 2025 and December 31, 2024, the outstanding balances of the Company’s debentures were amounting to USD 15.51 million and bore interest at the rate of 3% per annum and was unsecured, which matured in October 2015. On January 9, 2012, the Company received notice letter from bondholder’s representative that the Company was default to pay debentures’ interest expense which was due on December 30, 2011. However, up to the present, the Company has not been called to redeem such matured debentures.

The movements of debentures during the six-month period ended June 30, 2025 were as follows:

|  | Consolidated/Separate  Financial Statements |
| --- | --- |
|  | (In Million Baht) |
|  |  |
| As at January 1, 2025 | 530 |
| Exchange rate adjustments | (22) |
| **As at June 30, 2025** | 508 |

**21. OTHER CURRENT LIABILITIES**

|  |  |  |  |
| --- | --- | --- | --- |
|  | Consolidated/Separate  Financial Statements | | |
|  | (In Million Baht) | | |
|  | June 30,  2025 |  | December 31,  2024 |
|  |  |  |  |
| Financial liabilities from mark-to-market of forward contracts of foreign currencies | 10 |  | - |
| Provision for loss on purchase orders for undelivered raw materials | - |  | 43 |
| Liabilities related to taxes | 3 |  | 4 |
| Total | 13 |  | 47 |

The currency denomination of other current liabilities as at June 30, 2025 and December 31, 2024 were as follows:

|  |  |  |  |
| --- | --- | --- | --- |
|  | Consolidated/Separate  Financial Statements | | |
|  | (In Million Baht) | | |
|  | June 30,  2025 |  | December 31,  2024 |
|  |  |  |  |
| Thai Baht | 13 |  | 47 |

**22. NON-CURRENT PROVISION FOR EMPLOYEE RETIREMENT BENEFIT**

|  | Consolidated/Separate  Financial Statements |
| --- | --- |
|  | (In Million Baht) |
|  |  |
| Non-current provision for employee retirement benefit as at January 1, 2025 | 108 |
| Current service cost and interest cost | 4 |
| **Non-current provision for employee retirement benefit as at June 30, 2025** | 112 |

Expenses recognized in the statements of comprehensive income for each of the three-month and six-month periods ended June 30, 2025 and 2024 were as follows:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | Consolidated/Separate Financial Statements (In Million Baht) | | | | | | |
|  |  | For the three-month periods | | |  | For the six-month periods | | |
|  |  | ended June 30 | | |  | ended June 30 | | |
|  |  | 2025 |  | 2024 |  | 2025 |  | 2024 |
| In profit or loss for the period: |  |  |  |  |  |  |  |  |
| Current service cost and interest cost |  | 2 |  | 2 |  | 4 |  | 5 |

**23. LEGAL RESERVE AND OTHER COMPONENTS OF EQUITY**

***Legal reserve***

Under the provisions of the Public Company Limited Act B.E. 2535, the Company is required to appropriate at least 5% of its annual net profit after deduction of the deficit brought forward, (if any) as reserve fund until the reserve fund reaches 10% of the authorized share capital. The legal reserve is not available for dividend distribution.

***Other Components of equity***

The detail of other components of equity as at June 30, 2025 and December 31, 2024 were as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | In Million Baht | | | | | | |
|  | Consolidated Financial Statements | | |  | Separate Financial Statements | | |
|  | June 30,  2025 |  | December 31,  2024 |  | June 30,  2025 |  | December 31,  2024 |
| Cash received from expired warrants |  |  |  |  |  |  |  |
| - First Warrants (GSTEEL-W1) | 11 |  | 11 |  | 11 |  | 11 |
| - Second Warrants (GSTEEL-W2) | 3 |  | 3 |  | 3 |  | 3 |
|  | 14 |  | 14 |  | 14 |  | 14 |
|  |  |  |  |  |  |  |  |
| Loss on change in fair value of equity security |  |  |  |  |  |  |  |
| designated at fair value through |  |  |  |  |  |  |  |
| other comprehensive income | (2,546) |  | (2,522) |  | (2,460) |  | (2,439) |
| Net | (2,532) |  | (2,508) |  | (2,446) |  | (2,425) |

The cancellation in 2019 of warrants amounting to 7,025 million units which had book value of Baht 0.002 per unit, was transferred from warrants, a component of equity, to be other component of equity amounting to Baht 14 million.

**24. BASIC LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT**

The calculations of basic loss per share attributable to owners of the parent for each the three-month periods ended June 30, 2025 and 2024 were based on the loss for the periods attributable to owner of the parent and the weighted average number of ordinary shares outstanding during the periods as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | In Million Baht / Million shares | | | | | | |
|  | Consolidated Financial Statements | | |  | Separate Financial Statements | | |
|  | 2025 |  | 2024 |  | 2025 |  | 2024 |
|  |  |  |  |  |  |  |  |
| Loss for the periods attributable to |  |  |  |  |  |  |  |
| owner of the parent | (405) |  | (536) |  | (405) |  | (536) |
|  |  |  |  |  |  |  |  |
| Number of ordinary shares outstanding at April 1 | 28,929 |  | 28,929 |  | 28,929 |  | 28,929 |
| Effect of issuance of new shares | - |  | - |  | - |  | - |
| Weighted average number of |  |  |  |  |  |  |  |
| ordinary shares outstanding at June 30 | 28,929 |  | 28,929 |  | 28,929 |  | 28,929 |
|  |  |  |  |  |  |  |  |
| Basic loss per share attributable to |  |  |  |  |  |  |  |
| owners of the parent (In Baht) | (0.014) |  | (0.019) |  | (0.014) |  | (0.019) |

The calculations of basic loss per share attributable to owners of the parent for each the six-month periods ended June 30, 2025 and 2024 were based on the loss for the periods attributable to owner of the parent and the weighted average number of ordinary shares outstanding during the periods as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | In Million Baht / Million shares | | | | | | |
|  | Consolidated Financial Statements | | |  | Separate Financial Statements | | |
|  | 2025 |  | 2024 |  | 2025 |  | 2024 |
|  |  |  |  |  |  |  |  |
| Loss for the periods attributable to |  |  |  |  |  |  |  |
| owner of the parent | (862) |  | (739) |  | (862) |  | (739) |
|  |  |  |  |  |  |  |  |
| Number of ordinary shares outstanding at January 1 | 28,929 |  | 28,929 |  | 28,929 |  | 28,929 |
| Effect of issuance of new shares | - |  | - |  | - |  | - |
| Weighted average number of |  |  |  |  |  |  |  |
| ordinary shares outstanding at June 30 | 28,929 |  | 28,929 |  | 28,929 |  | 28,929 |
|  |  |  |  |  |  |  |  |
| Basic loss per share attributable to |  |  |  |  |  |  |  |
| owners of the parent (In Baht) | (0.030) |  | (0.026) |  | (0.030) |  | (0.026) |

**25. OPERATING SEGMENTS**

Segment information is presented in respect of the Company’s geographical segments based on the Company’s management and internal reporting structure.

***Business segments***

Management considers that the Company operates in a single line of business, namely manufacturing of flat-rolled steel products, and has, therefore, only one major business segment.

***Geographic segments***

In presenting information on the basis of geographic segments, segment revenue is based on the geographic location of customers. Considering the location criteria of the Company's operations and market criteria, the Company has only one geographical segment, as the Company only operates most of its business in the country.

***Information about major customers***

During three-month period ended June 30, 2025, the Company had revenues from the domestic sales to 1 customer, a related party, for the total amount of Baht 1,696 million (2024: 4 customers, other parties, totalled Baht 1,371 million).

During six-month period ended June 30, 2025, the Company had revenues from the domestic sales to 2 customers, a related party and an other party, for the total amount of Baht 2,468 million (2024: 3 customers, other parties, totalled Baht 3,056 million).

**26. COMMITMENTS AND CONTINGENT LIABILITIES**

As at June 30, 2025 and December 31, 2024, the Company had commitments and contingent liabilities as below:

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated/Separate Financial Statements (In Million Baht) | | | | | | | | |
|  | June 30, 2025 | | | |  | December 31, 2024 | | | |
|  | Within  1 year | Over 1 year but less than 5 years | Over  5 years | Total |  | Within  1 year | Over 1 year but less than 5 years | Over  5 years | Total |
| ***Commitments for purchases of   raw materials and supplies*** |  |  |  |  |  |  |  |  |  |
| Purchases of raw materials, |  |  |  |  |  |  |  |  |  |
| consumables and spare parts | 731 | 1 | - | 732 |  | 581 | - | - | 581 |
| Purchases of electricity | 630 | 2,519 | 3,464 | 6,613 |  | 662 | 2,648 | 3,973 | 7,283 |
| Purchases of natural gas | 126 | - | - | 126 |  | 135 | - | - | 135 |
| Purchases of raw water | 4 | 17 | 16 | 37 |  | 3 | 17 | 19 | 39 |
| Total | 1,491 | 2,537 | 3,480 | 7,508 |  | 1,381 | 2,665 | 3,992 | 8,038 |

|  |  |  |  |
| --- | --- | --- | --- |
|  | Consolidated/Separate  Financial Statements | | |
|  | (In Million Baht) | | |
|  | June 30,  2025 |  | December 31,  2024 |
| ***Capital commitments*** |  |  |  |
| Purchases of fixed assets | 1,410 |  | 974 |
| Improvement of software solutions | 28 |  | 94 |
| Total | 1,438 |  | 1,068 |
|  |  |  |  |
| ***Commitments under lease and service agreements*** |  |  |  |
| Not later than 1 year | 15 |  | 9 |
| Later than 1 year but not later than 5 years | 24 |  | 22 |
| Total | 39 |  | 31 |
|  |  |  |  |
| ***Contingent liabilities*** |  |  |  |
| Letters of guarantee | 150 |  | 150 |

***Commitment under forward exchange contracts***

Forward exchange contracts with 3 local financial institutions covering its foreign currencies from import purchase of fixed assets and raw materials. Details are as follows:

|  |  |  |  |
| --- | --- | --- | --- |
|  | Consolidated/Separate Financial Statements | | |
|  | June 30, 2025 |  | December 31, 2024 |
|  |  |  |  |
| Forward contract values | USD 12.6 million |  | USD 9.5 million |
|  |  |  |  |
| Equivalent to Thai Baht | THB 419 million |  | THB 314 million |
|  |  |  |  |
| Maturity within | May 2026 |  | December 2025 |

**27. CREDIT FACILITIES FOR OPERATION**

As at June 30, 2025 and December 31, 2024, the Company had uncommitted/committed credit facilities as below:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | Consolidated/Separate Financial Statements (In Million) | | | | | | |
|  |  | June 30, 2025 | | |  | December 31, 2024 | | |
| Credit facilities |  | USD |  | Baht |  | USD |  | Baht |
|  |  |  |  |  |  |  |  |  |
| ***NSTH*** |  |  |  |  |  |  |  |  |
| Short-term borrowings under: |  |  |  |  |  |  |  |  |
| - Credit Agreements |  | - |  | 6,069 |  | - |  | 2,700 |
| - Cash Management Service Agreement |  | - |  | 600 |  | - |  | 600 |
| Long-term borrowings under secured Credit Agreements |  | - |  | 2,700 |  | - |  | 1,600 |
|  |  |  |  |  |  |  |  |  |
| ***3 Local financial institutions*** |  |  |  |  |  |  |  |  |
| Short-term borrowing |  | 18 |  | 1,470 |  | 36 |  | 2,814 |
| Letter of credit and trust receipt |  | 45 |  | - |  | 45 |  | - |
| Letter of guarantee |  | - |  | 186 |  | - |  | 186 |