



M.C.S.STEEL
PUBLIC COMPANY LIMITED

Tokiwabashi Torch Tower
Becoming Tokyo's tallest building in 2027.

Azabudai Hills Mori JP Tower
Currently the tallest building in Tokyo, Japan.

ทุกวันนี้ต้องก้าวหน้า
กว่าเมื่อวาน
“ด้วยความเชื่อถือ”

Better than yesterday,
Everyday “Trust”

ก้าวสู่ปีที่
34

FORM 56-1

ONE REPORT 2025

บริษัท เอ็ม.ซี.เอส.สตีล จำกัด (มหาชน)



Azabudai Hills

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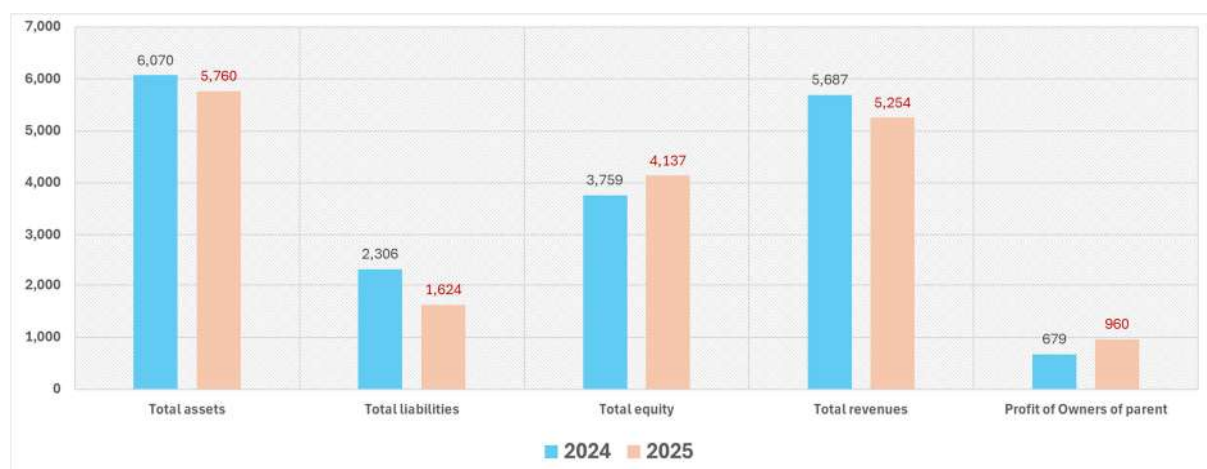
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Important Financial Information

(Consolidated)



Unit: Million Baht

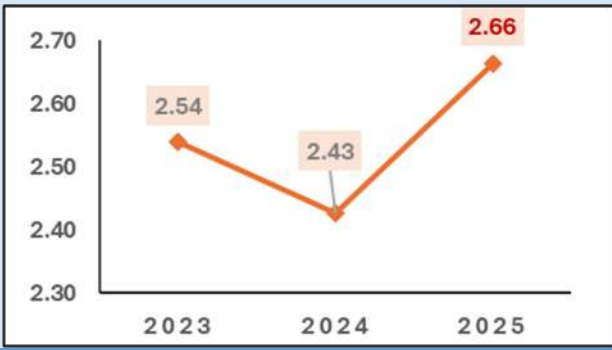
Statement of Financial Position (THB Million)	2023	2024	2025
Total assets	5,271.78	6,065.25	5,760.08
Total liabilities	1,509.12	2,310.92	1,623.50
Non-controlling interest (NCI)	135.08	138.53	161.34
Shareholder equity attributable to owners of the parent	3,627.58	3,620.65	3,975.24

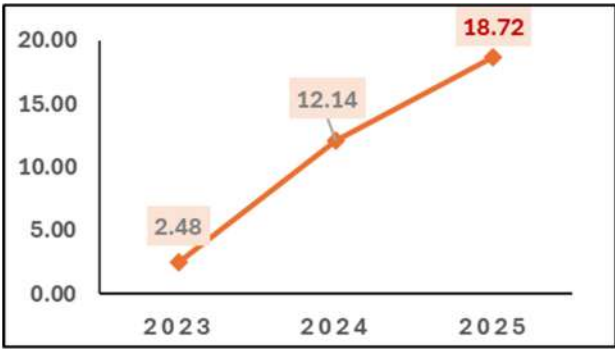
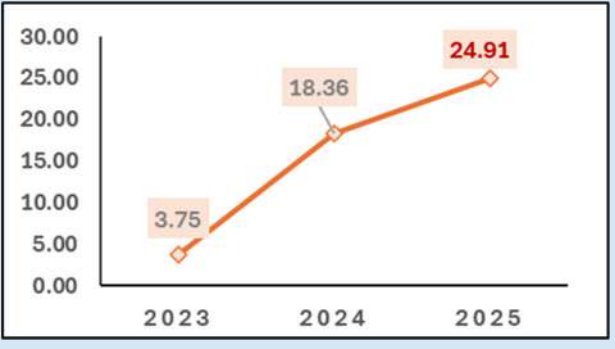
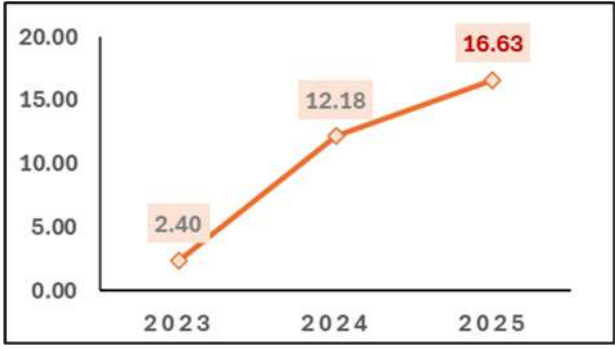
Income Statement (THB Million)	2023	2024	2025
Revenue from sales of goods and rendering of services and Contract revenue	5,777.16	5,607.17	5,185.45
Total Revenue	5,819.08	5,687.10	5,254.37
Total expenses	5,628.98	4,961.10	4,227.71
Profit from operating activities	190.10	726.00	1,026.66
Financial Cost and Income Tax	45.50	35.52	43.15
Net Profit (in the owners)	164.61	678.60	960.01

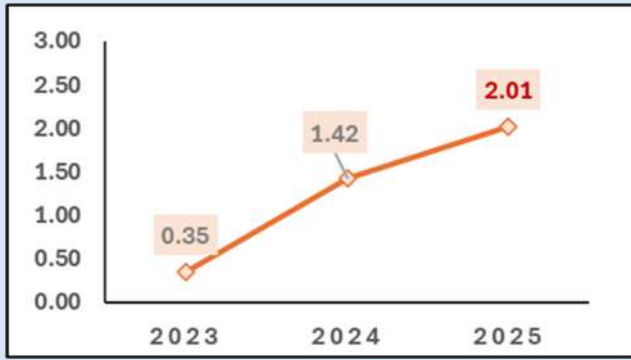
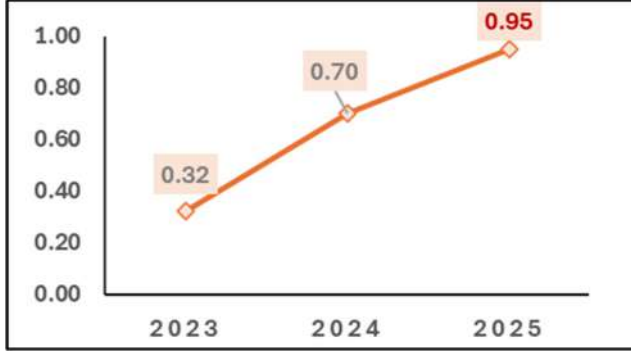
Common Stocks Information	2023	2024	2025
Issued and fully paid-up share capital (Million shares)	477.00	477.00	477.00
Earnings Per Share (EPS) Baht	0.35	1.42	2.01
Book Value (BV) Baht	7.89	7.88	8.67
Dividend per share	0.32	0.70	0.95*

*Including the dividends approved at the 2026 Annual General Meeting and to be paid on May 7, 2026.

Important Financial Ratios

	2023	2024	2025								
Current Ratio (Time)	 <table border="1"> <thead> <tr> <th>Year</th> <th>Current Ratio (Time)</th> </tr> </thead> <tbody> <tr> <td>2023</td> <td>2.54</td> </tr> <tr> <td>2024</td> <td>2.43</td> </tr> <tr> <td>2025</td> <td>2.66</td> </tr> </tbody> </table>			Year	Current Ratio (Time)	2023	2.54	2024	2.43	2025	2.66
Year	Current Ratio (Time)										
2023	2.54										
2024	2.43										
2025	2.66										
Gross Margin (%)	 <table border="1"> <thead> <tr> <th>Year</th> <th>Gross Margin (%)</th> </tr> </thead> <tbody> <tr> <td>2023</td> <td>18.23</td> </tr> <tr> <td>2024</td> <td>28.12</td> </tr> <tr> <td>2025</td> <td>31.88</td> </tr> </tbody> </table>			Year	Gross Margin (%)	2023	18.23	2024	28.12	2025	31.88
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Message from Chairman of Board Director

And Chief Executive Officer

2025 was a rather good year for us with a total profit of 887.51 million baht (including our Xiamen & Japan facility total profit reaching 960.01 million baht). Converting it in Japanese yen, our profit for the year 2025 was 4,037 million yen (4,298 million yen including our Xiamen & Japan facility). This is a YoY increase in profit of 45.96% & 44.00% respectively – an achievement we are very proud of.

However, it is important that I mention our profit this year in Japanese Yen is actually 99% of the highest profit we ever netted back in 2023 which was 4,117 million Japanese Yen. Unfortunately, with the depreciation of Japanese yen and the appreciation of Thai baht, our profit this year in terms of Thai baht only accounts for 74.5% in comparison to our profit back in 2023. The exchange rate of 0.292 JPY/THB compared to the current exchange rate of 0.212 JPY/THB has had a significant effect to our performance on paper.

As reported previously, 2027-2028 will be a more challenging time for us due to the dramatic changes in the Japanese construction industry. Projects that were previously approved when the exchange rate for Japanese yen was at 110 are being rejected as large general contractors do not want to proceed without adequate budget. With the Japanese yen reaching 160 (a 50% devalue of currency), most large-scale projects without a reasonable increase in budget have been delayed/postponed.

2025 has been a busy year for us with numerous projects and this momentum will extend into 2026 with our 'torch tower' project – which will be the tallest building in Japan as well as the 'Yaesu' project which will be MCS's largest single project to date. In addition, we are on track with maintaining our facility upgrade, our new factory is under construction to facilitate new types of works and robot welding machines have been introduced to work on different projects. After more than 5 years of preparation, we can proudly say MCS Japan has become a self-sustainable facility which has been acting as our service center for Japanese projects fabricated at both our Thai & Xiamen factory. We are happy to say we have reached our goal after many years of perseverance and hard work.

We are no different from other Thai factories – facing tough times from the strong appreciation of Thai baht compounded with competition from other countries. The last time 1 baht was equivalent to 5 yen was during the 1996 Tomyungun period and it is unsettling that the Thai baht continues to appreciate with no sign of relief. I have brought this up in previous reports regarding why we are still listed under the 'steel sector' – an issue we hope we can rectify soon as I believe our business has a different nature from other "steel" companies either listed here in the SET or any other market .

Considering the current Thai environment, the poor performance of the stock market especially in comparison to our neighboring countries and no promising signs of recovery in the near future, we must accept and prepare ourselves for any unknown scenario and ensure that we are always ready to handle any problems that may arise. We will continue to upgrade our facilities, improve effectiveness in all areas, enhance our man power and strive to be better every day.

I am very proud of what we have achieved and the progress we make every day. I would like to thank all of our directors and shareholders for their continuous advice and support and as always, we believe our company's future and look forward to handling and conquering all new challenges that come our way.



Project Yaesu , Japan

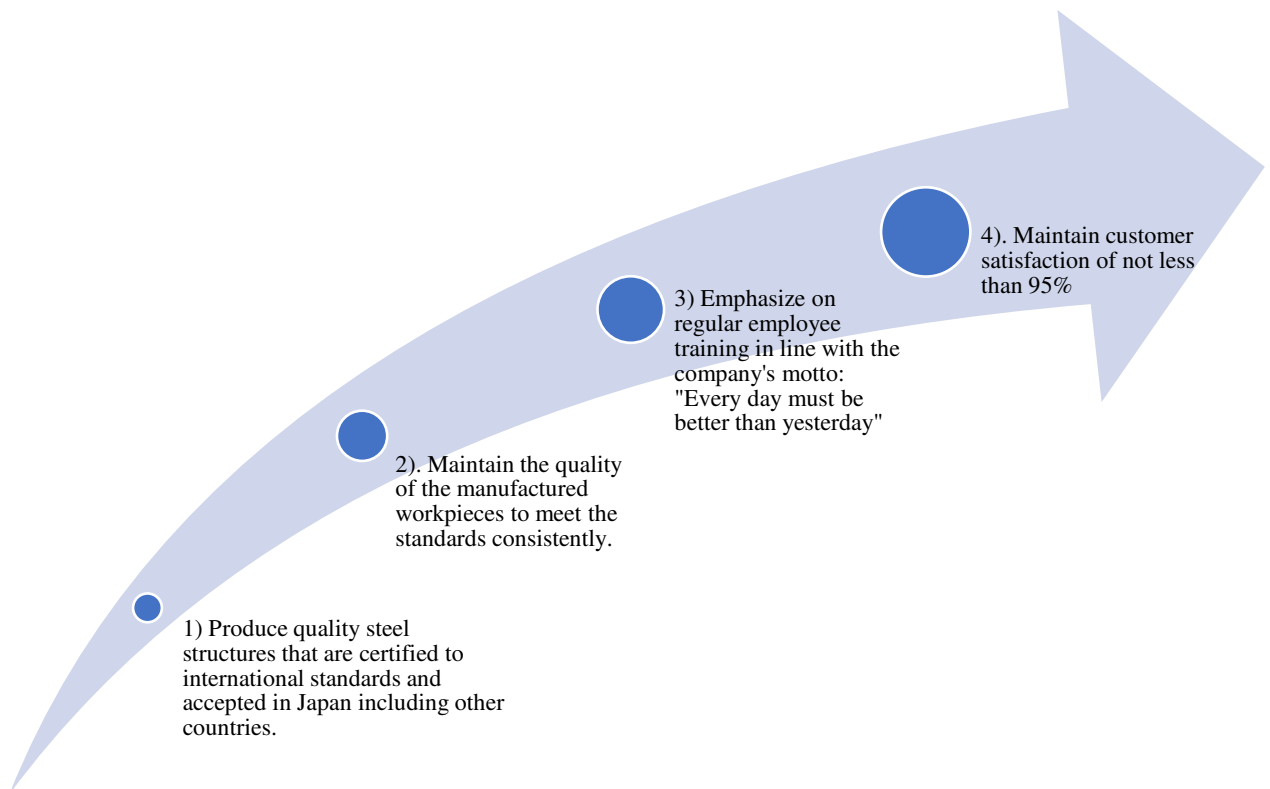


Dr. Naiyuan Chi
Chairman of Board Director
27 February 2026

VISION

We are a large-scale steel structure manufacturer, especially steel beams and columns for the construction of large complex high-rise buildings, and has been certified to international standards both domestically and internationally.

MISSION



Portion 1

Business operations and Operating results

Part 1 Business Operation and Operating results

1. Company Structure and Operations

1.1 Policy and Business Overview

Established in 1992, M.C.S. Steel Public Company Limited is a large steel structure manufacturer, especially steel beams and columns for the construction of large high-rise buildings such as office buildings, hotels, shopping malls, etc. The company's products are characterized by quality that meets international standards and can be manufactured above the JASS 6 (Japanese Architectural Standard Specification), which is a standard for the construction of steel structures in particular, and is certified by Japanese Architectural Standard Specification in Japan and meets the conditions set by Japanese law. In addition, the construction using steel structures can save construction time. The large steel structures produced by the company are heavily used in countries with frequent earthquakes such as Japan. The characteristics of the work that our company produces are cutting and assembling steel plates according to the customer's requirements. The company provides a comprehensive production.

There are two types of steel structures produced by the company: the steel structure used as a column box and the steel structure used as beams, which are important components of the building. The factory is located in Chang Yai Subdistrict, Bang Sai District, Ayutthaya Province. At the end of 2016, the company began buying robot machines to produce column and pipe, which would have increased the company's capacity by 12,000-15,000 tons per year for column and pipe work.

In 2025 the company invested in additional automated welding equipment and machinery under incentives from the Board of Investment (BOI) to enhance manufacturing efficiency, and initiated construction of a new factory and storage facility. Construction commenced in 2025 and is expected to be completed in 2026.

These technology investments and capacity expansions reflect the company's commitment to improving quality, efficiency, and its ability to meet customer demand in both domestic and international markets.



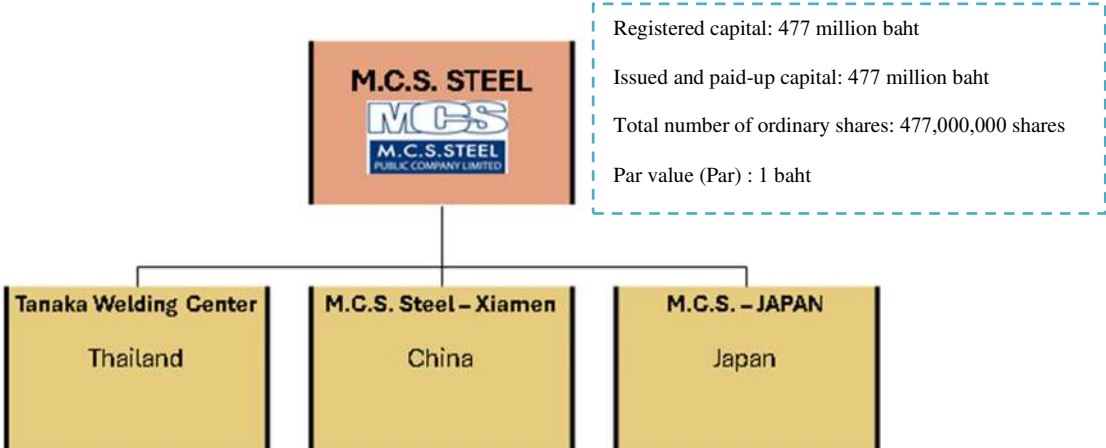
Robot Machine



Band Saw Machine

The steel structure manufacturing process starts by using high-quality hot-rolled steel sheets to cut to the desired size. Then the steel sheets are assembled together by welding into various shapes such as columns or beams, using welding wires as a connection material. Then bring the relevant components such as wire rods, steel pipes, and steel sheets according to the drawings to complete the connection. Finally, the work can be customized according to the desired quality. In addition, the company produces general steel structures such as roof structures. The columns or beams used in domestic construction have the same production process as the production of large steel structures.

The shareholding structure of the Company and its subsidiaries as of December 31, 2025



Project : Tokiwabashi Torch Tower which produced in the year 2025

M.C.S. Steel Public Company Limited



Business Type	Manufacturing and distributing large steel structures
Registered capital	477,000,000 baht
Par value per share	1 baht (477,000,000 shares) fully paid
Location	No. 70 Moo 2, Chang Yai Subdistrict, Bang Sai District, Phra Nakhon Si Ayutthaya Province 13290
Telephone number	035-372961-6, 089-9001217-8

Tanaka Welding Center Company Limited



Business Type	Training and real estate
Shareholding	99.92 %
Relationship	Shareholding and having common directors
Registered capital	14,850,000 baht
Par value per share	15 baht (990,000 shares)
Location	No. 70 Moo 2, Chang Yai Subdistrict, Bang Sai District, Phra Nakhon Si Ayutthaya Province 13290
Telephone number	035-372961

M.C.S.-JAPAN Co., Ltd.

Business Type	Contractual manufacturing
Shareholding	98.00 %
Relationship	Shareholding and having common directors
Registered capital	50,000,000 yen
Par value per share	1,000,000 yen (50 shares)
Location	711-2 Owadashinden Yashiyo-shi Chiba 276-0046 Japan
Telephone number	81-47-4306265

M.C.S. Steel-Xiamen Co., Ltd.

Business Type	Contractual manufacturing
Shareholding	74.00 %
Relationship	Shareholding and having common directors
Registered capital	7,800,000 US Dollars
Location	68 Shanbian Road, Dongfu Town, Haicang District, Xiamen 361027 China
Contact	86-592-6511-143

1.1.1 Long-Term Goals

The total production capacity is more than 100,000 tons per year, including the overseas subsidiaries.

Strategy

- 1) Maintaining the quality of products and services to build customer satisfaction
- 2) Emphasizing on products of equal or greater quality than the competitors and being a cost leader
- 3) Delivering the work on time
- 4) Providing comprehensive services and being able to accept large projects for the whole project

1.1.2 Major changes and developments in the past 7 years can be summarized as follows:

Year	Event
2017	<ul style="list-style-type: none"> ▪ Increase of the shareholding in M.C.S. Steel-Xiamen Co., Ltd. from 39% to 74% of the registered capital by purchasing shares from the existing shareholders. ▪ Repurchase of 23 million shares for financial management, representing 4.60% of the total issued shares, totaling 354.878 million baht. ▪ Construction of a new office in the same factory area with a budget of 50.34 million baht
2018	<ul style="list-style-type: none"> ▪ Purchase of land and buildings at NASU plant in Japan for less than 1 billion yen or about 300 million baht to serve as a pile of pieces and support the company's business in Japan. ▪ Purchased 32% shares of M.C.S. - Nasu Co., Ltd., Japan for 33 million yen or approximately 9.66 million baht, making the company hold 98% of the said company and changed its name to M.C.S. - Japan Co., Ltd. ▪ Disposal of 27 treasury shares, representing 5.40 percent of the total issued shares with a total value of 193.648 million baht
2020	<ul style="list-style-type: none"> ▪ Registered capital reduction by cutting off 23 million shares of repurchased and unsold shares, resulting in the company's current registered capital of 477 million baht.

Year	Event
2021	<ul style="list-style-type: none"> ▪ Permission to establish an organizational quarantine (Type B) to be used as a quarantine facility for foreign customers ▪ Appointed Ms.Wanna Pholkaew to be the Managing Director ▪ Appointed Ms.Mattawan Srisakda to be the Deputy Managing Director of Accounting and Finance
2022	<ul style="list-style-type: none"> ▪ Appointment of Dr. Naiyuan Chi as senior advisor. ▪ Construction of a raw material stockyard. Using a budget of approximately 27.27 million baht ▪ Re certificated of S-Grade
2023	<ul style="list-style-type: none"> ▪ Purchase machinery to increase production efficiency, approximately 23 million baht. ▪ Order 1 automatic robot welding machine, approximately 30 million baht, expected to be installed around March 2024.
2024	<ul style="list-style-type: none"> ▪ Approved a budget of 500 million baht for the years 2024-2027 to expand the factory and improve production efficiency. ▪ Constructing an extension of Factory 1 with a budget of 26.21 million baht, expected to be completed in March 2025. ▪ Constructing a raw material storage area (New AG WH/FAC 11) with a budget of approximately 8.25 million baht.
2025	<ul style="list-style-type: none"> ▪ Purchase six automatic welding machines for a total of THB 28.21 million. ▪ Investment in machinery and equipment to improve production efficiency, totaling THB 152.90 million. ▪ Extension of the existing factory, and construction of a new factory and finished-goods storage area, totaling THB 47.22 million. ▪ Renovation of Meeting Room 1 for inspection and client reception, total amount THB 5.4 million.

1.1.3 Does the use of the proceeds raised from crowdfunding serve the purpose?

The company does not issue equity or bonds.

1.1.4 Obligations that the company pledged in the registration statement for the offering of securities, and/or the office's license conditions (if any), and/or conditions for listing securities of the Stock Exchange of Thailand (if any)

-None-

1.1.5 Name, location of the head office, type of business, company registration number, telephone, fax, company website, number and type of the company's total issued shares.

- The details are shown in Section 5 General information and other important information –



Picture of New Factory No.33

1.2 Type of Business

M.C.S. Steel Public Company Limited was established in 1992 and was listed on the Stock Exchange of Thailand in 2005. At present, the company has a registered capital of 477 million baht. It is a large steel-structure manufacturing business (Fabricated Steel) for construction projects both domestically and internationally. The head office and factory are located at 70 Moo 2, Chang Yai Subdistrict, Bang Sai District, Phra Nakhon Si Ayutthaya Province, Thailand, with a total of 15 factories including Factory 14, which is under construction and expected to be completed by June 2026 on an area of 270 rai and a total production capacity of 70,000 tons per year.

1.2.1 Company Revenue Structure

Products	2022		2024		2025	
	THB	%	THB	%	THB	%
1. Revenue from sales of steel structures						
1.1 Domestic	259,176,287	4.45	124,859,577	2.20	49,511,729	0.94
1.2 International	5,517,987,172	94.83	5,482,311,809	96.40	5,135,937,537	97.75
2. Revenue from sales of scrap iron	20,525,888	0.35	22,667,879	0.40	19,089,446	0.36
3. Other income	21,393,713	0.37	57,263,970	1.01	49,827,608	0.95
4. Profit from exchange rate	-	-	-	-	-	-
Total Revenue	5,819,083,060	100.00	5,687,103,215	100.00	5,254,366,320	100.00

1.2.2 Product Information

There are 2 types of steel structures manufactured by the company:

- 1) Fabrication of steel structures used as columns (Column-Box)
- 2) Production of steel structures that are used as beams (Beam)

These are important components of a building and provide distinctive features, that is to say, saving construction time, reducing pollution in the construction area, and being able to absorb vibration well.

The characteristic of Beam production is cut to a given size, which is a tailored production according to the customer's preferred size. As opposed to Beam Roll-H, which are pre-cast beams that have a limited size.



Example image of Beam work

As for the nature of column work, Column-Box is structured either with a diaphragm assembled outside or inside the column, where the diaphragm is connected and forced by the beam to take the weight down to the column. By welding the internal diaphragm to the column; it requires modern tools and the expertise of welders, which the welding work is strong but we can't see the welding lines.



Example image of Column-Box



Example image of Mock-up piece for Project 1F Kotaiko 11 Building SC Wall

Structures designed to utilize steel materials are particularly important due to their superior ability to withstand seismic vibrations compared to reinforced concrete. Additionally, steel structures tend to be smaller and lighter than concrete ones. Currently, large fabricated steel structures are becoming increasingly popular as a replacement for reinforced concrete in construction.

The primary raw material used is high-quality special hot-rolled sheet steel, which the company imports from Japan and South Korea. Large steel structures are widely used in countries that experience frequent earthquakes, such as Japan and Taiwan. This shift towards steel emphasizes the importance of safety and efficiency in construction practices in earthquake-prone regions.

1.2.3 Research and Development

The company's products are distinguished by their quality, exceeding the JASS 6 (Japanese Architectural Standard Specification) standards and complying with the legal requirements set by Japan. Additionally, they save construction time. The steel materials used in production possess excellent durability, allowing them to better withstand seismic vibrations compared to reinforced concrete.

The primary raw material used is high-quality special hot-rolled sheet steel, which the company predominantly imports from Japan, along with some from China and South Korea. Thailand does not produce hot-rolled steel sheets with these specific properties due to very low demand for this type of steel. Currently, most of the produced items are for construction projects in Japan.

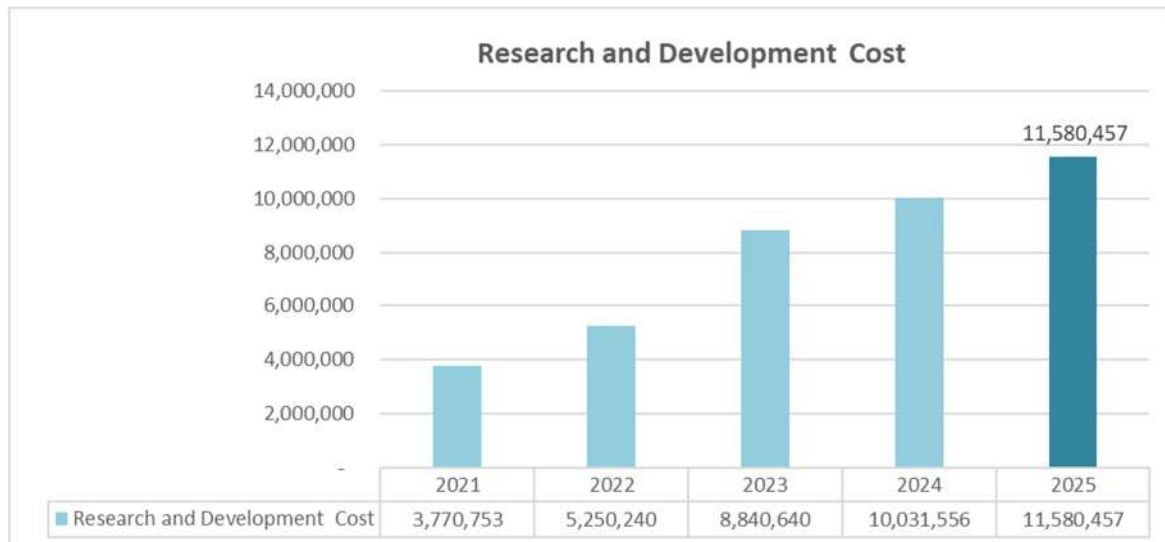
In production, the company has invested in modern machinery and has received technology transfer from Japan. Additionally, the company has established a laboratory (Test Room) to test and control the quality of the products. The testing tools have been imported from abroad, and the company collaborates with faculty members from King Mongkut's University of Technology North Bangkok to develop testing systems and train the relevant staff.

The testing room meets the ISO/IEC 17025: 2005 standard from the Industrial Product Standards Office, ensuring compliance with general requirements for the competence of testing and calibration laboratories.



Picture of Test Room

Every year, the company conducts to test and control the quality of its products, with the following expenses for research and development (R&D).



Undelivered Projects at the end of 2025

No.	Project	Type	Location	Value (Million JPY)	Expected year of completion	% of work not yet delivered	Value of work yet to be delivered (Million JPY)	Contract Status
1	Tokiwabashi Torch Tower	High-rise building	Japan	12,475.07	2027	74.74%	9,324.32	Under contract
2	Yaesu	High-rise building	Japan	18,536.79	2027	37.91%	7,027.96	Under contract
3	Shin Akasaka	High-rise building	Japan	3,292.43	2026	78.12%	2,572.15	Under contract
4	Osaka Kashima	High-rise building	Japan	4,050.00	2026	100.00%	4,050.00	Under contract
5	Misato	High-rise building	Japan	1,610.00	2026	13.27%	213.63	Under contract
6	Honmaku	High-rise building	Japan	1,634.00	2026	100.00%	1,634.00	Under contract
7	Narai	High-rise building	Thailand	743.82	2026	68.15%	506.94	Under contract
Value (million JPY)							25,329.00	
Value (million baht) — Exchange rate as of 12/30/2025: 100 JPY = 0.199094 THB							5,042.85	



Project : Narai , Thailand

Privileges from BOI Promotion Certificates

The privileges of the Investment Promotion Certificate used in 2025 can be summarized as follows:

No.	Certificate No.	Amount of Corporate Income Tax exemption on the net profits	Benefits valid until 31 December 2025
1	66-1523-1-00-1-0	314.72 million baht	170.22 million baht

The 5th BOI Promotion Certificate (Began using tax rights in 2024)

Certificate Number	66-1523-1-00-1-0
Details	
1. Date of approval	13 December 2022
2. Date of additional approval - Amendment of additional investment	18 November 2024
3. To promote investment in the business	Manufacture of metal structures used in construction or industrial work or platform repairs.
4. Key benefits received	Received
(1) Exemption of import duty on machinery used in new projects requested for promotion	3 years starting from the date of earning from that business
(2) Exemption of corporate income tax for the net profits derived from promoted businesses of which the total value does not exceed 314.72 million baht , and exemption not to take dividends from promoted businesses which are exempt from corporate income tax to be calculated for tax purposes.	1 year starting from the first day of import
(3) Exemption of import duties for raw materials and essential materials that must be imported from abroad for export production.	From the original tons/year to 86,248 tons/year.
(4) Size of business	
5. Start date for benefits under the promotion card	November of Year 2024
6. Tax rights exercised until December 31, 2025	170.22 million baht

Research and Development Policies & Innovations in processes and services

Regarding innovation development in the production process

(1) Test SAW 1 Pass Project: Yaesu2 Choume

After introducing 1-pass SAW welding - a single-pass full-penetration weld ,in 2025, trials were conducted on Box Column components to further enhance SAW welding efficiency. Tests on 50 mm thickness specimens passed VT and UT inspections and met mechanical property requirements. The method was approved for use on the Yaesu 2-chome project.



Image of Test One Pass (Box Column)

(2) Automatic Welding Machine (Robot Machine) Robot Fillet

In 2025, After installing cantilever robots for welding, and following approval to commence welding for the Yaesu 2-chome (YSC) project, skip-2 welding tests were conducted for the Fukushima project in preparation for production in 2026. The system is capable of welding steel floors. Currently, eight welding robots have been fully installed at the new factory, Fac33.



Image of Automatic Welding Machine (Robot Machine)

Innovation development in the workplace

1. Paperless System

Since 2022, the company has implemented a Paperless system by providing tablets to all production employees. These devices are used to view designs and submit work through the company's system. This initiative not only reduces paper consumption but also enhances the speed and accuracy of data utilization in the work processes.



2. Renovation of Meeting Room 1

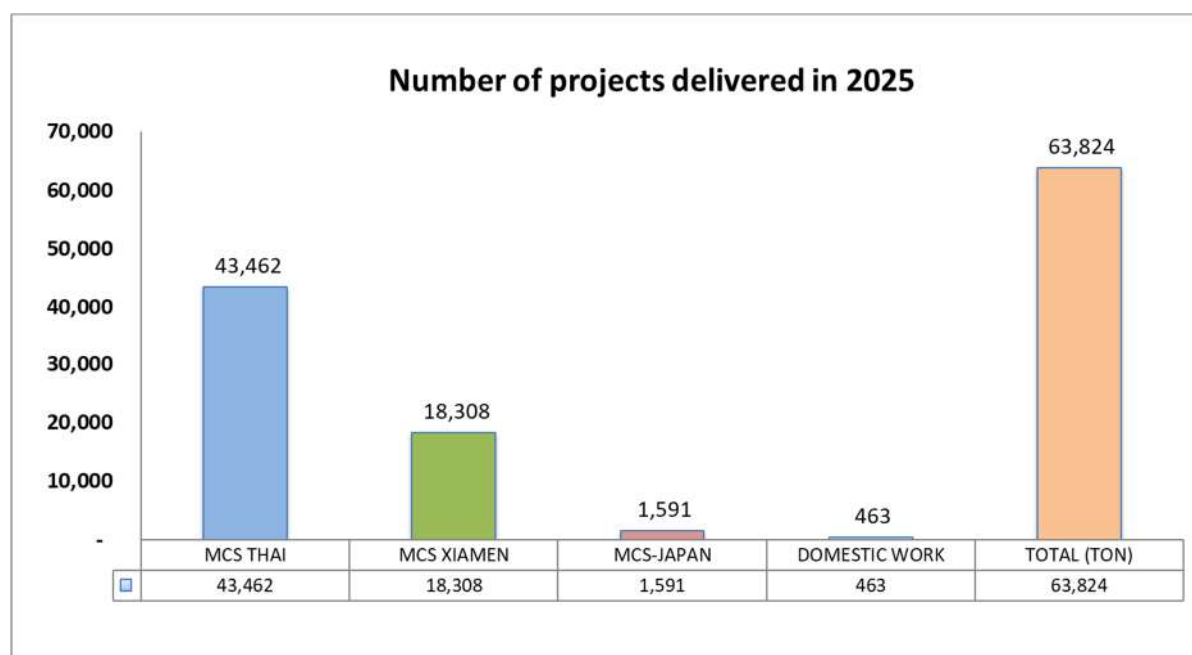
For inspection and client reception, total amount THB 5.4 million.



(2) Marketing and Competition

Marketing policy in the past year.

In the past year, the company was able to deliver a total of 63,824 tons of work as follows.

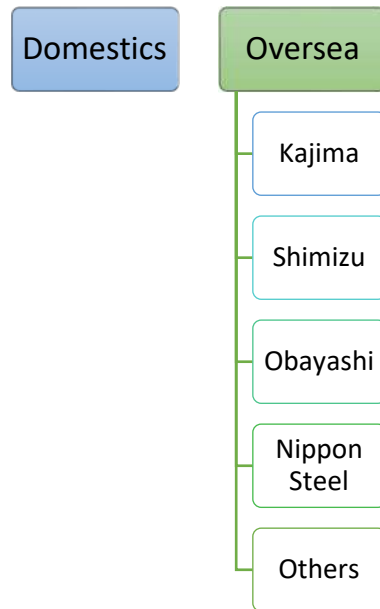


The company's marketing policy emphasizes collaborative work within the group by assigning responsibilities to each factory based on their respective strengths. Specifically, the factory in Thailand focuses on complex and challenging projects, such as large columns and beams. The factory in China specializes in producing beams and sub-beams. Meanwhile, MCS-Japan serves as the central hub to assist group companies with customer service and address issues related to work pieces or other requests from clients.

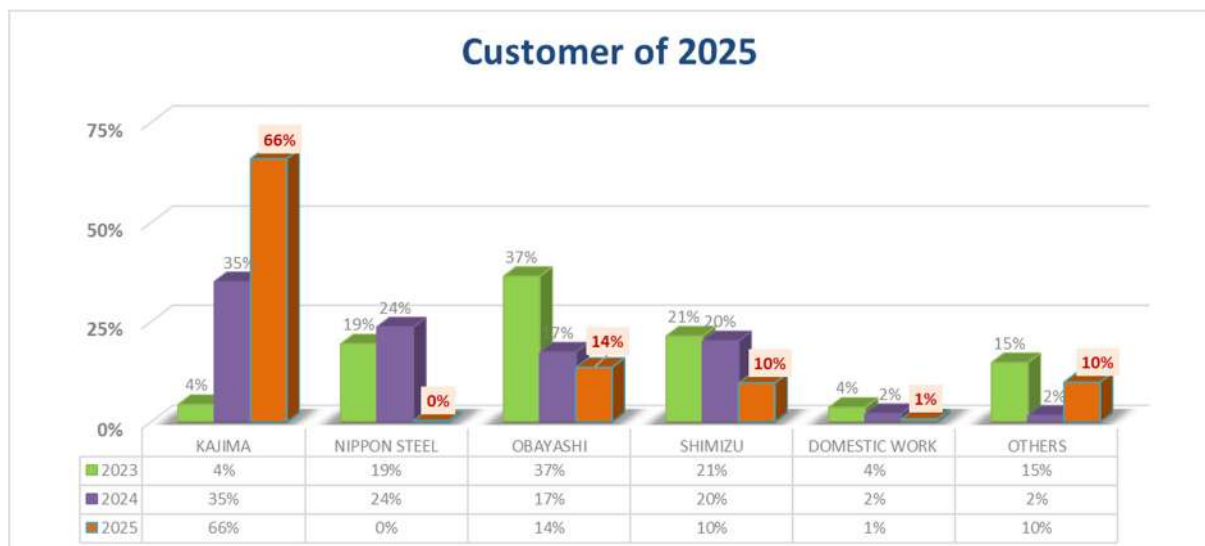
Currently, a robotic welding machine has been installed, enabling the production of work pieces such as Column BCP and Futai as well. This strategic approach enhances efficiency and fosters strong cooperation across the company's operations.

Customer Characteristics and Target Customers

The characteristics of the company's customers can be classified as follows:



- 1. Foreign Customer** This target market includes large general construction companies in Japan, which is the main market and has a large number of construction projects and demand for steel structures. In 2025, the Company accounted for the majority of sales to foreign customers from the 5 major customers as follows :





Images of Project TTW

- 2. Domestic Customer** The majority of our customer base consists of clients primarily associated with Japanese companies. The company undertakes steel structure construction projects tailored to the requirements of these clients. Since local customers do not necessarily require special-grade steel used in earthquake-prone regions, the raw materials used are generally standard-grade steel. The target customers are factories and construction buildings. In the year 2025, the company delivered 463 tons of work domestically, accounting for 0.73 percent.



Images of Project Narai (Domestic work)

Industry trends and future competitive conditions

Since the company manufactures large steel structures mainly for high-rise buildings, in 2025, the company exported to Japan about 99.27% of the total output, the remaining portion consists of work done domestically within the country around 0.73%. By considering the competitive conditions of the industry in the future, the company therefore focuses mainly on sales in Japan taking into account the following factors:

1) Demand

The demand for steel structures is directly related to the construction activities in Japan. According to reports from the Ministry of Land, Infrastructure, and Transport of Japan, the demand for steel structures in Japan from 2021 to 2025 is approximately 4 to 8 million tons per year. The level of demand for steel structures remains high compared to the export amount from companies sending to Japan.

In 2025, the company exported approximately 63,361 tons of steel structures to Japan, which includes 1,591 tons shipped from the factory in Japan and 18,308 tons shipped from the factory in China. This accounts for no more than 2% of the total demand for steel structures.

Construction situation in Japan

Construction work in Japan in 2025 was mainly private investment, accounting for 95.76 percent, and the other 4.24 percent was government investment. When considering the construction situation in Japan, it can be classified according to the type of use: Residential and Non-residential construction (Dwelling and Non-dwelling). It was found that in 2025 residential and non-residential constructions accounted for 61.95% and 38.05 percent, respectively.

Large steel structures are often used in the construction of large high-rise buildings, so they are not used in the construction of general residences. Most of the characteristics of the work used include office buildings, hotels, shopping malls, etc. Most of the demand is for construction in the capital and large cities such as Tokyo, Nagoya, and Osaka.

When considering the construction characteristics in 2025, the usage of materials can be categorized as follows: wood accounts for 43.36%, while reinforced concrete structures, reinforced steel, and steel structures account for 1.12%, 19.23%, and 35.30%, respectively. Other materials make up approximately 0.99%. In 2025, the use of steel structures saw a slight decrease of about 0.48% compared to 2024.

However, the market share for steel structure construction materials over the past five years has remained at approximately 30-40%, which is the highest compared to other types of materials, excluding wooden structures.

Table: Construction areas completed by the public and private sectors in Japan during 2021-2025

Unit: 1000 Sq m

	2021		2022		2023		2024		2025	
		%		%		%		%		%
1. Classified by investor type										
Government sector	5,372	4.40	4,204	3.52	4,634	4.17	4,687	4.56	4,067	4.24
Private sector	116,866	95.60	115,263	96.48	106,580	95.83	98,077	95.44	91,785	95.76
Total	122,239	100.0	119,466	100.0	111,214	100.0	102,764	100.0	95,853	100.0
2. Classified by type of use										
Residence	73,779	60.36	72,263	60.49	67,766	60.93	63,549	61.84	59,377	61.95
Non-residence (Office/Factory/Warehouse/School/ Hospital)	48,460	39.64	47,203	39.51	43,448	39.07	39,215	38.16	36,476	38.05
Total	122,239	100.0	119,466	100.0	111,214	100.0	102,764	100.0	95,853	100.0
3. Classified by construction materials										
Wood	53,100	43.44	49,537	41.47	45,620	41.02	43,864	42.65	41,562	43.36
Steel structure and reinforced concrete	1,842	1.51	2,168	1.81	2,201	1.82	1,479	1.44	1,479	1.12
Reinforced concrete	21,111	17.27	23,590	19.75	24,451	21.99	19,707	19.16	19,707	19.23
Steel structure	45,309	37.07	43,185	36.15	38,111	34.27	36,804	35.78	33,834	35.30
Other materials	875.31	0.72	987	0.83	1,011	0.91	1,000	0.97	945	0.99
Total	122,239	100.0	119,466	100.0	111,214	100.0	102,764	100.0	95,853	100.0

Source: Ministry of Land, Infrastructure, Transport and Tourism, Japan

In assessing the construction demand in Japan, variables such as construction order receipts or construction contracts received by contractors each year are used as indicators of the demand for construction materials. According to a survey of construction order receipts from 2021 to 2025, the total value of construction orders in 2025 amounted to 126,161,090 million yen, an increase of 4,623,953 million yen from 2024.

The distribution of construction orders was as follows: government contracts accounted for 19.14%, private sector contracts for 49.34%, and subcontractors for 31.53%. Among these, private contractors had the highest proportion of construction orders, making up 49.34% of all construction contracts, which included public works, construction, and machinery installation, accounting for 6.20%, 36.89%, and 6.25%, respectively, of the total construction work.

Order received for construction) between 2018-2025

Year	Prime Contracts						Subcontracts			Total (Million Yen)
	Government sector			Private sector			Public utilities	Construction	Machinery Installation	
	Public utilities	Construction	Machinery Installation	Public utilities	Construction	Machinery Installation				
2018	9,796,492	4,131,458	1,315,303	5,690,073	31,602,034	4,906,050	7,143,780	16,337,553	2,887,127	83,809,870
2019	10,564,035	4,712,520	1,246,060	5,653,182	31,074,237	4,360,804	8,053,985	17,270,765	2,739,007	85,674,595
2020	14,632,803	5,799,283	1,822,276	6,661,058	34,423,361	5,075,361	10,211,606	22,047,322	3,847,134	104,520,205
2021	14,505,939	5,390,908	1,808,007	6,313,805	37,339,590	4,832,027	10,176,910	22,864,029	3,361,947	106,593,160
2022	14,198,370	5,530,976	1,615,346	6,301,927	41,571,254	6,008,801	10,052,726	25,290,085	3,553,119	114,122,604
2023	13,882,829	6,493,746	1,620,334	6,213,156	38,111,913	6,407,299	9,537,632	25,043,307	3,267,404	110,577,619
2024	14,485,650	6,377,069	1,897,856	6,722,162	42,429,680	6,444,281	11,917,710	27,471,364	3,781,364	121,537,136
2025	14,567,023	7,185,282	2,392,202	7,816,861	46,545,173	7,880,625	10,204,726	24,937,105	4,632,092	126,161,090

Source: Ministry of Land, Infrastructure, Transport and Tourism, Japan

Estimated Number of Competitors

The company is a large steel structure manufacturer and most of our products are delivered to contractors in Japan, about 95%. Therefore, competitors in the industry include:

A) Domestic

At present, the manufacturers of large steel structures for the construction in the country are as follows:

- (1) STP & I Public Company Limited
- (2) Sino-Thai Engineering and Construction Public Company Limited
- (3) Italian-Thai Development Public Company Limited
- (4) Nawarat Patanakarn Public Company Limited
- (5) Christiani and Nielsen (Thai) Public Company Limited
- (6) Sriracha Construction Public Company Limited
- (7) CH. Karnchang Public Company Limited
- (8) TTCL Public Company Limited
- (9) and other manufacturers, namely BJC Heavy Industries Public Company Limited/Triton

Holding Public Company Limited

Source: The Stock Exchange of Thailand

B) Japan

The top 10 steel structure manufacturers in Japan that operate similar businesses are:

No.	Company Name	Total Capacity (Ton)	Actual Capacity on 2025
1	YAMANE TEKKO KENSETSU	96,000	36,000
2	KAKUTOU	96,000	66,000
3	KAWAGISHI KOGYO	72,000	60,000
4	MCS	70,000	48,235
5	KAGAYA	60,000	42,000
6	KAWADA KOGYO	60,000	35,000
7	J-FAB	54,000	38,000
8	KOMAI	36,000	30,000
9	FUJIKI *	33,600	35,000
10	WATAHAN TECNOS *	24,000	32,000

Remark : * some part use sub- contractor

Source: Sumisho Tekko Hanbai Co., Ltd., Japan

The above steel structure manufacturers produce and distribute in the same way as the company, but their main purpose of production is not for continuous use in construction work. Since there is a limited number of manufacturers who can fabricate steel structures following the quality standards required, the competition in Japan is therefore among the manufacturers that can meet the standards requirements and the established conditions following the laws of Japan. In addition, most of the Japanese steel structure manufacturers have restrictions on labor wages. Steel structure work is a kind of work that focuses on skilled labor in assembly, welding, and decoration, which requires skilled and experienced labor and this type of labor in Japan has a very high wage. In addition, to have the manufacturing facilities fully integrated as well as the manufacturing site; it requires a large area along the land price in Japan is very high, for this reason, the production costs in Japan are consequently high.

At present, 3 competitors in Japan have full-scale production like our company, but their manufacturing sites are located in a province far from Tokyo. Therefore, such manufacturers have to transfer the fabricated parts to Tokyo while the shipping costs in Japan are quite expensive. In addition, transportation in Japan for large workpieces is limited to some roads and bridges that cannot be accommodated. Therefore, considering the above factors, this will affect the increased production costs of competitors based in Japan. In summary, it can be seen that the company which is a steel structure manufacturer in Thailand has the potential to compete with the steel structure manufacturers in Japan since we are certified with the factory standards including our employees have also received a license from the Japanese Institute to fabricate and install steel structures in Japan. This is proven by the company's continuous delivery of large steel-structure parts to Japan for more than 30 years and there are more than 100 projects that our company transfers steel structures for installation in Japan.

The company aims to reach a production capacity of 100,000 tons per year, including among the companies in foreign countries that we have invested in. With such potential, the company can compete effectively supporting some of our loyal customers in Japan, who are major contractors and trust in our quality providing continuous demand.

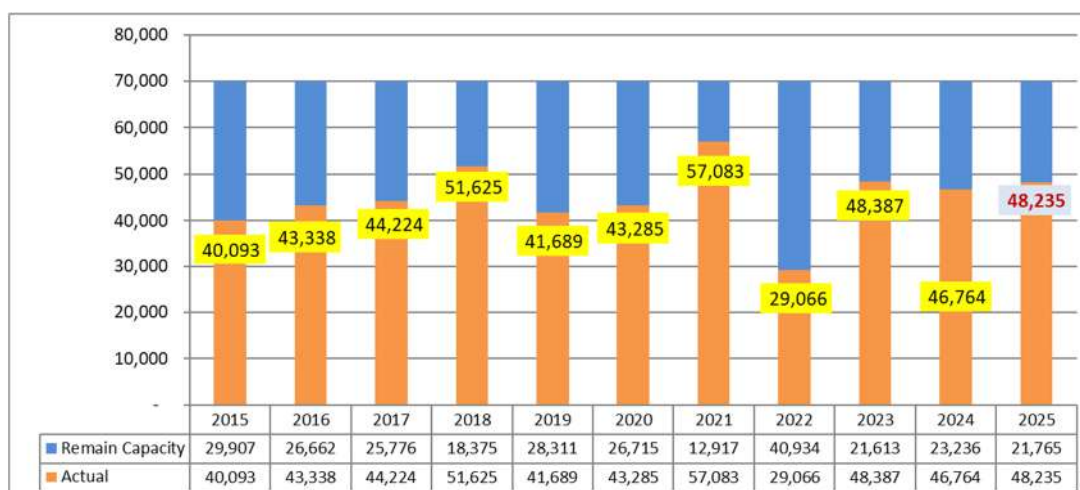
(3) Procurement of products or services

Since the company's business is mainly a large steel structure exported to Japan. Therefore, the company's products must be of high quality and acceptable in Japan. Therefore, we have continuously maintained the quality of our workpieces in accordance with the quality standards, as well as for the long-term pre-contracts we regularly received from Japan as follows:

(1) Product

The company focuses on the quality control of products to meet standards and requirements, using the systems to control the operations. The employees shall know about the jobs they do as much as possible, in order to ensure quality control. The company would provide documentation identifying the procedures and recording the inspection of product control according to the standards. Currently, most of the workpieces are manufactured for construction projects in Japan. The company has been certified as an "S" class fabricator by Japan Steel Structure Appraisal Center, Ltd. in Japan, which is issued to factories that produce steel structures and meet the same standards as steel structures in Japan.

Production capacity and capacity utilization in 2015-2025



Note: At present, the factory has a total production capacity of 70,000 tons per year, excluding the overseas subsidiaries.

(2) Pricing

The company will determine the price by giving the customer, who is a large construction contractor, a chance to propose the price they want to buy first, for the company to consider. Then, the company will consider the proposal taking into account the cost of raw materials and other accompanying expenses, together with the management's considerations.

Production process

The production process starts by using high-quality hot rolled steel sheet (Special Hot Rolled Steel) to cut to the desired size. The Model and Information Department will use the designs received from the customers to write for production. Then, the steel plates are formed together by welding into shapes such as column boxes or beams using welding wire as connection materials. Then bring the relevant components such as wire rods, steel pipes, and steel sheets according to the drawings to complete the connection. Finally, adjust the work to the desired quality.

Chart showing Beam Production

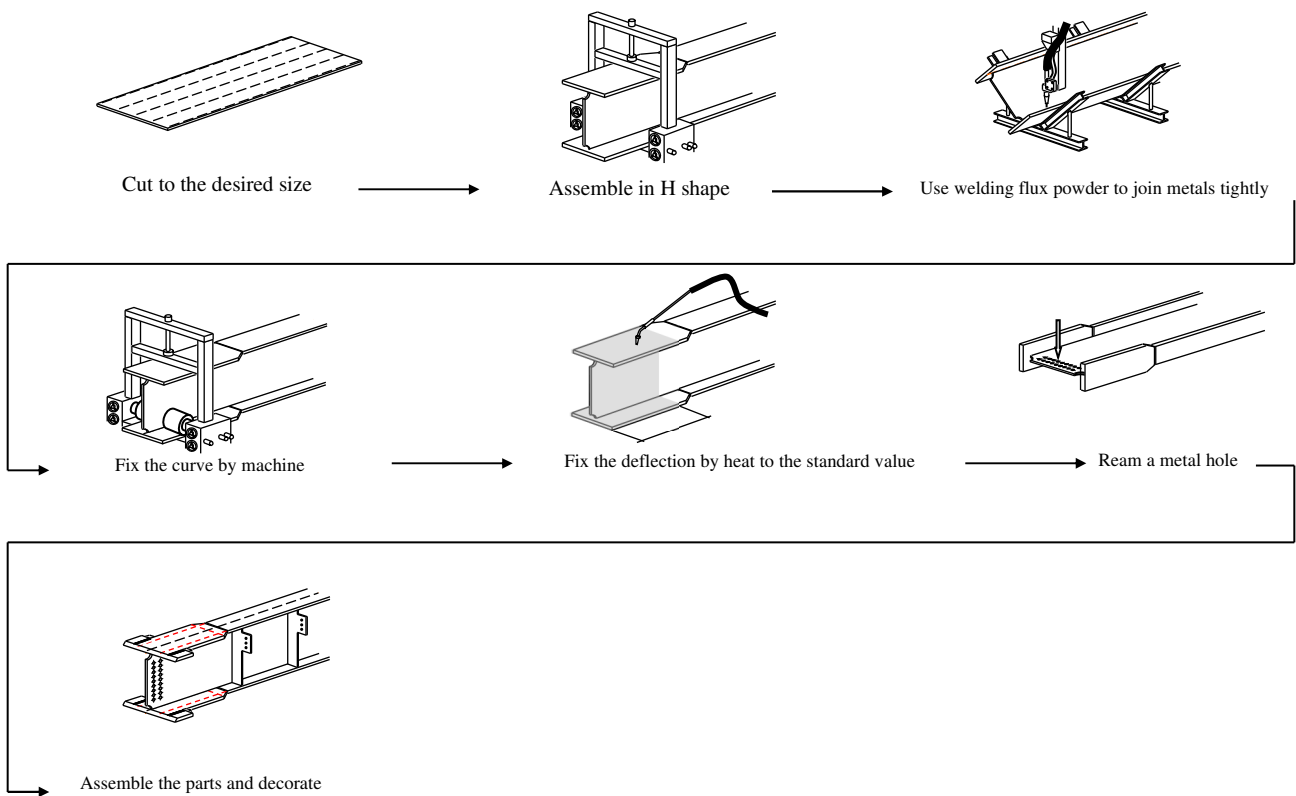
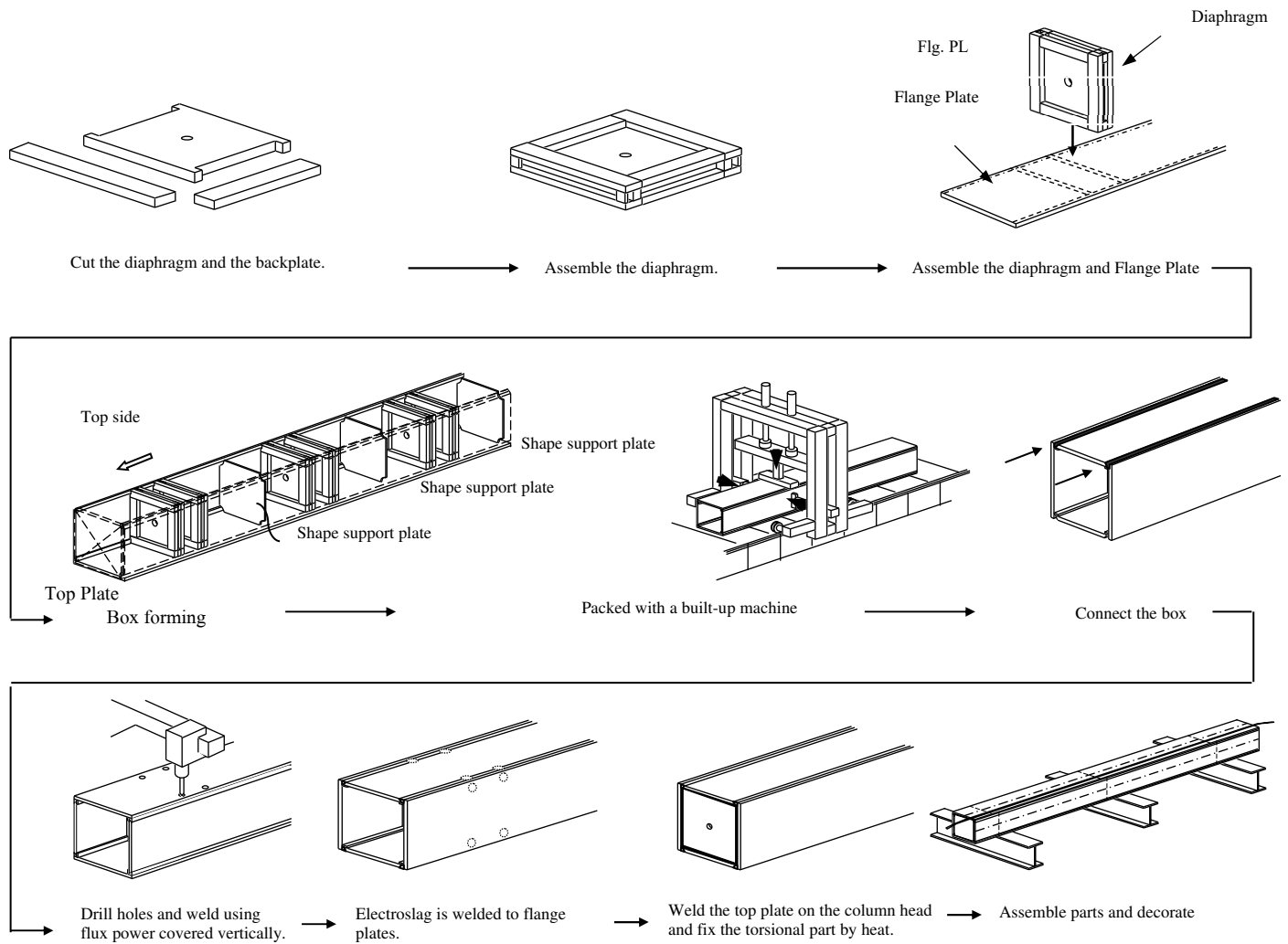


Chart showing the manufacturing process of the Pillar (Box)



Procurement and source of raw materials

Raw materials

The main raw materials for production are Special Hot Rolled Sheet, accounting for approximately 98% of the total raw materials used in production. Other than that, they include other components such as L-angle steel or channels, rebars, steel pipes, etc., to be used as sub-assemblies according to the nature of steel structures ordered by the Company from within the country. In addition, there are consumables used in the production process such as welding wire and flux, etc., which have the characteristics of use such as corner welding, butt welding, and part assembly welding, which are imported from Japan and China, and Korea, including some orders from within the country (In the case of a domestic job that does not require high-quality steel)

Since the company's products are quality-oriented, the domestic manufacturers are still unable to produce high-quality Special Hot Rolled Sheet for our production. Therefore, at present, all Special Hot Rolled Sheets must be imported from abroad.

In 2025, the company ordered steel from 2 companies, namely Marubeni – Itochu Steel Inc. 17.86% and MITSUI & Co., Ltd. 80.82%, which are major manufacturers in Japan, most of which have agreed to purchase for a period of approximately 6 months in advance.

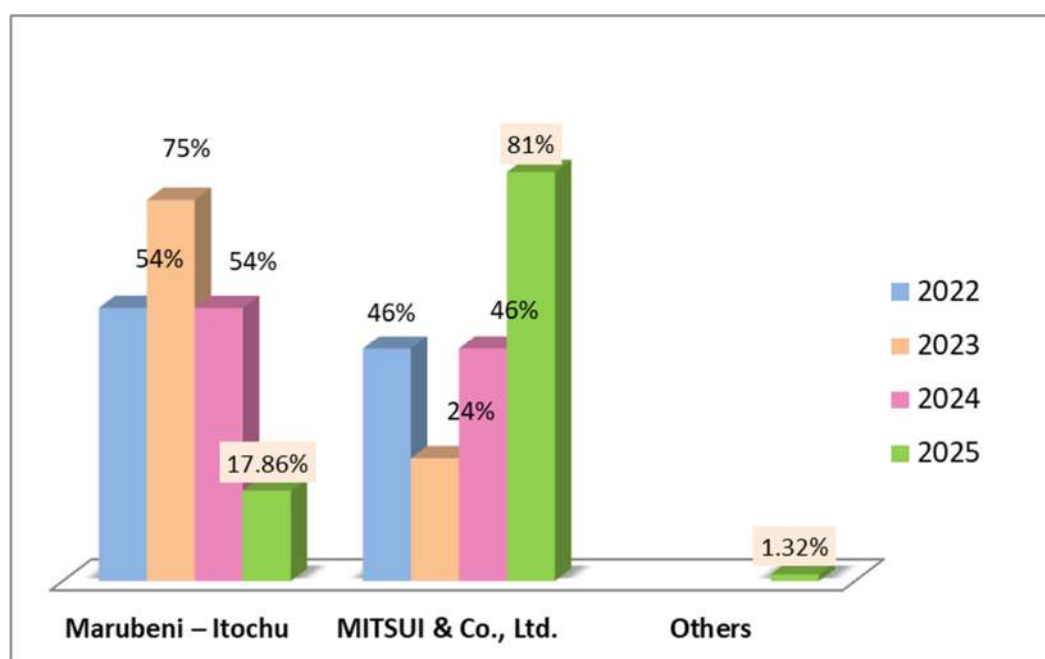


Table showing the proportion of steel imports from manufacturers

High-quality hot-rolled steel sheets used by the company for production: Customs tariff classification (Harmonized code) at the 7-digit level = 7208.510 / 7208.520. Definition: Products of steel sheets rolled from non-alloy steel or other types, not in coils, with a width of 600 millimeters or more, produced from hot rolling, uncoated, unplated, or non-coated, and with thickness ranging from 4.75 to 10 millimeters or more.

Assets used in business

The company's factory is located at No. 70, Moo 2, Chang Yai Subdistrict, Bang Sai District, Phra Nakhon Si Ayutthaya Province, on a site of approximately 270 rai. The complex comprises 15 steel production plants, employee dormitories, a canteen, a raw material (steel sheet) storage yard, a workpiece staging area, and other facilities.

(Unit: Thousand baht)

Property Type	Proprietary Characteristics	Cost Price	Net Worth	Collateral value incurring the guarantee	Encumbrances
(1) Land and improvements	Owner	276,253	276,253	254,160	Yes
(2) Buildings and structures	Owner	937,193	364,766	17,728	Yes
(3) Machinery and equipment	Owner	1,269,792	509,033	-	Yes
(4) Office supplies, furnishings and vehicles	Owner	193,904	40,582	-	No
(5) Assets under construction	Owner	155,331	155,331	-	No
Including land, buildings, and equipment		2,832,473	1,345,965	271,888	

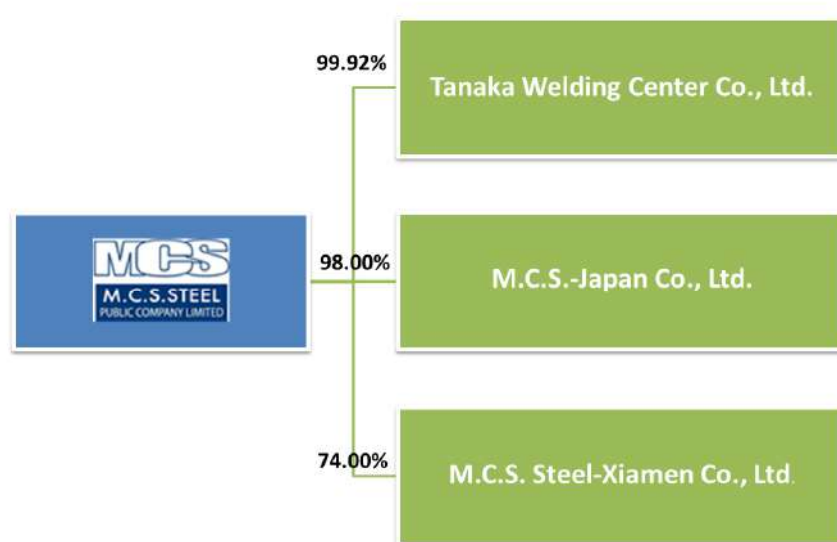
Remark: * Land, buildings, and some machinery, the company took a mortgage/ pledge to a commercial bank in a country. As the following list:

- 1) Guarantees for bank overdrafts in the amount of 30 million baht with no outstanding balance as of December 31, 2025.
- 2) Guarantees for trust receipts and letters of credit, amounting to Baht 2,900 million as of December 31, 2025, used for Baht 2,348 million.

1.3 Shareholding Structure of the Group

1.3.1 Shareholding Structure of the Group

The Company and its Subsidiaries Structure as at December 31, 2025



Securities Distribution Report on December 30,2025 (only M.C.S. Steel)

	Securities Distribution Report								
	Natural Persons			Juristic Persons			Total		
	Number of Holders	Total securities held	%	Number of Holders	Total securities held	%	Number of Holders	Total securities held	%
Thai securities holders	11,785	370,052,364	77.58	18	44,998,936	9.43	11,803	415,051,300	87.01
Alien securities holders	16	1,446,600	0.30	23	60,502,100	12.69	39	61,948,700	12.99
Total	11,801	371,498,964	77.88	41	105,501,036	22.12	11,842	477,000,000	100.00

1.3.2 Persons with Possible Conflict of Interests Holding Combined Shareholding in Subsidiary Companies over the Level of 10% of the Number of Shares with Voting Rights of Such Companies

- None -

1.3.3 Relationship Between the Business Groups of the Major Shareholders

- None -

1.3.4 Shareholders

(1) Shareholders

A. List of Major Shareholders at December 30,2025

No.	Name	Share(s)	Holding
			(%)
1	Thai NDVR Co., Ltd.	41,187,035	8.63
2	NOMURA SECURITIES CO LTD-CLIENT A/C	33,390,000	7.00
3	Mr. Surakrit Rathithong	18,300,000	3.84
	Mr. Surakrit 's group	11,646,700	2.44
	Total of Mr. Surakrit 's group	29,946,700	6.28
4	UBS AG LONDON BRANCH	13,478,500	2.83
5	Mrs. Sumporn Kaireak	4,195,500	0.88
	Mrs. Sumporn 's group	4,065,000	0.85
	Total of Mrs. Sumporn 's group	8,260,500	1.73
6	Mr. Somkiet Terdthunthaweedej	6,580,400	1.38
	Mr.Somkiet 's group	400,000	0.08
	Total of Mr.Somkiet 's group	6,980,400	1.46
7	Dr. Naiyuan Chi	6,500,000	1.36
8	Mr. Kantanat Karawawattana	5,000,000	1.05
	Mr. Kantanat 's group	130,000	0.03
	Total of Mr. Kantanat 's group	5,130,000	1.08
9	Mr. Wiboon Watcharasurang	4,960,400	1.04
10	Mr. Jirachai Kanchitavorakul	4,941,600	1.04
11	Others	322,224,865	67.55
Total		477,000,000	100.00

B. Groups of Major Shareholders Who Have Significant Influence over the Formulation of Management Policies or Operation of the Company

- None -

(2) The Company is not a Holding Company

- None –

(3) Shareholders' Agreement There is no shareholders' agreement

- None –

1.4 Registered and Paid-up Capital

1.4.1 Registered Capital/ Paid-up Capital/ Number of Shares (at December 31,2025)

Registered capital	:	477,000,000 Baht (Fully paid up)
Common shares	:	477,000,000 Shares
Par value per share	:	1.00 Baht

1.4.2 Other Types of the Shares with Rights or Conditions Different from Ordinary Shares

- None -

1.4.3 In the Case of Having Shares or Convertible Securities of the Company

- None -

1.5 Issuance of Other Securities and Convertible Securities

1.5.1 Convertible Securities

- None -

1.5.2 Debt Instrument

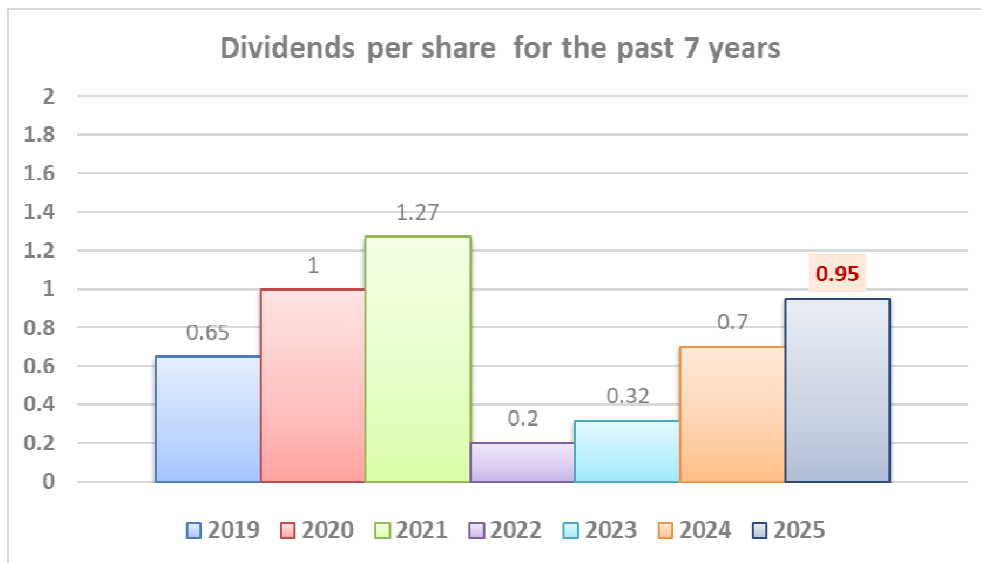
- None -

1.6 Dividend Payment Policy

(1) Dividend Payment Policy of Company

A Policy dividend rate at least 50 percent of net profit (Separate Financial Statement) after tax and legal reserves , however , Company may make a dividend less defined above depending on financial performance, liquidity needs to be used as working capital for operations expansion and other factors involved in the management of the company. In the subsidiaries and dividend policy of subsidiary company and associated company will pay dividends to the company based on performance in each year.

The Company has paid dividends for the past 7 years as described below.



Year	Profit Separate (Million Baht)	Profit per share (Baht)	Interim Dividend (Baht per Share)	Annual dividend (Baht per Share)	Total dividend paid per share (Baht)	The amount of dividend to be paid (Million Baht)	Dividend per share : Profit per share %
2019	600.49	1.26	0.25	0.40	0.65	310.05	51.63
2020	847.72	1.75	0.40	0.60	1.00	486.20	56.27
2021	1,202.52	2.52	0.77	0.50	1.27	605.79	50.38
2022	8.84	0.02	-	0.20	0.20	95.40	1,079.43
2023	232.65	0.49	-	0.32	0.32	152.64	65.61
2024	631.76	1.42	0.20	0.50	0.70	333.90	52.85
2025**	887.51	1.86	0.25	0.70**	0.95	453.15	51.06

** include the dividend that prefer to shareholder meeting of 2026 to approve 0.70 Baht per share and will pay on 7 May 2026

(2) Dividend Payment Policy of subsidiaries Company

Subsidiaries Company had dividend payment Policy due to operation each year which consider by the board of director

2. Risk Management

2.1 Risk Management Policies and Plans

The company has appointed a Risk Management Committee of five members, comprising three independent directors, the Managing Director, and the Deputy Managing Director, together with a working group that includes the Company Secretary and the Head of Internal Audit. A clear scope of work has been established for the Committee to oversee, monitor, and review key risk management plans and reports, provide recommendations, and conduct evaluations - with the evaluation results reported to the Board of Directors annually at year-end.

2.2 Risk factors for the Company's business operations

In 2026, the Risk Committee held a joint meeting to consider the principal risks affecting the Company's business operations, as follows:

2.2.1 Risks to the Company's Business

Risks related to economic trends and the construction industry in Japan

The Company manufactures large steel frameworks for high-rise buildings, with over 95% of its production exported to major contractors in Japan. Annual demand for steel structures in Japan is approximately 4–5 million tonnes, while the volume the Company exports to Japan represents only about 1% of total demand. The Company's factory holds Japan's S Grade certification, an accreditation achieved by fewer than ten operators worldwide, resulting in a limited number of competitors at this standard.

As of the end of 2025, the company has a contracted backlog scheduled through early 2030 of approximately 100,000 tonnes, representing orders with signed contracts awaiting production. Additionally, there are approximately 120,000 tonnes of potential work currently under negotiation.

Potential impact : If economic trends or demand in Japan's construction industry decline while the number of contractors remains unchanged, competition will intensify. The Company may lose market share relative to the past and face risks of reduced order volumes and lower profit margins.

Risk management measures

1. Control production costs efficiently - Improve production processes and increase the efficiency of raw material and labor usage so that unit costs are lower than or comparable to competitors. This will help maintain or improve margins even without volume growth and enable competitive pricing.
2. Manage operating expenses (SG&A) - Implement cost-reduction measures in administration and management to maintain a lower expense ratio than Japanese contractors, who have higher labor and administrative costs.

3. Diversify the customer base - Maintain and expand relationships with multiple contractors to reduce reliance on any single customer. Currently the Company serves approximately five customers: four major Japanese contractors and one new contractor in warehouse projects (Engin Nittetsu).
4. Maintain product quality and delivery standards - Ensure production quality and on-time delivery in accordance with certified standards to build customer confidence and support continued contract awards.

(The Company will closely monitor economic and market conditions and adjust production, sales plans, and cost policies accordingly to mitigate the above risks.)

Risk of customer payment collection

The company manufactures structural components for export to Japan, its principal market, which accounts for approximately 95% of total revenue. In 2025, most revenue was derived from major customers: Obayashi Corporation (36.55%) and Shimizu Corporation (21.39%), with the remainder from other customers.

Sales contracts require customers to open Letters of Credit (L/C) to guarantee payment under stipulated terms, resulting in payment to the company within 14 days of document presentation to the bank. In 2025, 86% of revenue was collected via L/C, while production at MCS JAPAN accounted for 14% of revenue and was billed to the same customer group as the company's principal clients; therefore, it did not have an adverse impact on overall operating results.

Impact level : Low - Because the majority of revenue is secured by Letters of Credit (L/Cs), the risk of non-payment is materially reduced.

Risk management measure

Require the opening of a Letter of Credit as a standard contract condition for all projects.

Risk of skilled labor shortage

The company manufactures steel structures for export to Japan. Under operating standards, employees performing welding tasks are required to hold AW (Architectural Welding) licenses issued by the Japan Welding Society. The company engaged a Japanese organization to conduct the annual examinations for employees. In the past year, 72 employees took the exam, comprising 64 new candidates and 8 renewals. Currently, the company has 94 welders certified with the AW Certificate and 169 certificants holding the JIS (Japanese Industrial Standard) Certificate.

Preventive and mitigation measures for human resources

The Company operates a welding training center to develop skills for recent graduates and individuals without prior welding experience. Last year, 68 trainees completed the program and subsequently joined the Company.

The company provides welding and assembly training for employees intending to work in Japan, with training periods ranging from six months to one year. The company also supports applications for three-year work visas. To date, approximately 30 employees have been sent to Japan under three-year visas.

Risk level and impact

A shortage of skilled workers could delay production and deliveries, damage the Company's credibility and customer relationships, and result in financial losses and reduced opportunities for future contracts.

Risk management measures

1. Implement a training policy focused on developing welders' and assemblers' skills so employees become multi-skilled, reducing reliance on specialized labor.
2. Introduce automation technologies, such as welding robots, to enhance production efficiency, reduce dependence on skilled labor, and accommodate increased workloads or labor shortages.

Risk from foreign exchange

Currency structure: Approximately 90% of the Company's revenue is denominated in Japanese yen (JPY), while payment for major raw materials is settled in yen at about 40–50% of costs. This provides a degree of natural hedge but a net exposure remains that may be affected by exchange rate volatility.

Reference exchange rates at year-end:

12/31/2024: 1 JPY = 0.2183 THB (100 JPY = 21.83 THB)

12/31/2025: 1 JPY = 0.2007 THB (100 JPY = 20.07 THB)

Change : The exchange rate decreased from 21.83 THB/100 JPY to 20.07 THB/100 JPY, a decline of approximately 1.76 THB or 8.06%, which reduced the value of yen-denominated revenue when converted to Thai baht. This negatively impacted gross margin, net profit, and cash flows absent appropriate mitigating measures.

Potential impacts

- Converted revenue in THB declines, contracting gross margin and net profit if selling prices or cost structure cannot be adjusted in time.
- Exchange rate volatility may cause cash-flow variability, affecting liquidity management and financial planning.

Risk mitigation measures:

1. Maximize natural hedging — Systematically match yen inflows and outflows to reduce the net open position in JPY.
2. Adjust pricing strategy — Factor exchange-rate risk into bids and contracts and include reserve margins when accepting exposure to currency movements.
3. Manage liquidity and working capital — Maintain liquidity reserves in necessary currencies to absorb exchange-rate fluctuations and currency conversion needs.

Risk from COVID-19 and other pandemics

Although infections such as COVID-19 are often non-severe and treatable, their high transmissibility can cause outbreaks within the organization, affecting workforce availability, production processes, and deliveries.

Potential impacts

- Labor shortages due to illness or quarantine, causing production delays and potential failure to meet delivery schedules.
- Increased costs from medical treatment, compensation, and infection-control measures.
- Erosion of customer and contractor confidence if production delays or plant shutdowns occur.
- Business-continuity risks in the event of a severe outbreak or emergence of a new pandemic.

Prevention and mitigation measures

1. Discontinue routine ATK screening, but provide an infirmary and channels for symptomatic employees to receive prompt testing and medical consultation.
2. Implement basic hygiene measures: alcohol disinfection at high-risk points, temperature screening at entry/exit points, and campaigns to promote mask-wearing and use of hand sanitizer.
3. Establish workforce reserves and cross-training (reserve pool, multi-skill) to cover emergency labor shortages and enable employees to perform multiple roles.
4. Procure and maintain a stock of basic medical supplies (masks, hand sanitizer, PPE) and coordinate with healthcare providers/clinics to facilitate testing and treatment.
5. Monitor public-health guidance and adjust measures regularly according to the outbreak situation.

Risk from volatility in raw material prices

Key raw material : Hot-rolled steel plate, representing approximately 45% of the Company's cost of goods sold. Source : About 98% imported from Japan. Recent price level : Hot-rolled steel price approximately JPY 200,000 per tonne.

Impact level

Increases in raw material prices will raise overall cost of goods sold, adversely affecting gross margins and the Company's competitiveness. If higher input costs cannot be offset by selling-price adjustments, production efficiency gains, or other cost reductions, financial performance and cash flows may be negatively impacted.

Risk management measures

1. **Reduce steel waste** - Improve production processes and material management to lower waste rate from about 15% to approximately 10%, thereby reducing steel consumption and overall raw material costs.
2. **Supplier comparison and project-based purchasing** - Obtain price and term comparisons from at least two suppliers before ordering and execute purchases on a project-by-project basis based on negotiated prices.

Risk from Volatility in Freight Rates

An increase in ocean freight rates would raise the company's cost of goods sold by approximately 15-20%, directly reducing gross margin. If the company cannot adjust prices to reflect higher costs or offset them through other cost savings, its price competitiveness, net profit, and cash flow may be adversely affected.

Risk Management Measures

1. Negotiate and compare rates among multiple carriers to reduce costs and increase flexibility in carrier selection.
2. Enter long-term contracts or framework agreements with preferred carriers to lock in favorable rates and reduce volatility.
3. Implement advance booking and shipment consolidation to leverage volume rates and lower unit transportation costs.
4. Adopt a multi-carrier strategy to mitigate the risk of dependence on any single carrier. Negotiate contract terms that include clear fuel surcharge mechanisms and Force Majeure clauses aligned with the company's risk exposure.

Risk of Having No Successor (No Successor)

A shortage of suitably qualified, capable, and experienced candidates to assume key management positions upon retirement, transfer, or emergency can disrupt strategic decision-making and operational continuity. The absence of a clear successor creates governance risks, a leadership vacuum, and organizational uncertainty.

Potential Impacts

- Disruption to management and strategy execution, adversely affecting production efficiency, service delivery, and market responsiveness.
- Loss of confidence among employees, investors, and customers.
- Risk of losing technical knowledge and customer relationships if knowledge transfer is not systematic.
- Increased costs associated with recruiting and integrating external executives, and the risk of strategic decisions that are misaligned with organizational culture.

Mitigation and Risk-Reduction Measures

1. Establish a formal Succession Policy that specifies target positions, processes, types of replacements (permanent/interim), and the board's role in approvals.
2. Develop an emergency/interim succession plan that identifies interim appointees, standby procedures, and communication protocols for crises.
3. Implement knowledge-transfer processes and maintain critical documentation (SOPs, manuals, customer and technical dossiers) to preserve technical expertise and client relationships.
4. Introduce retention measures for high-potential staff (retention bonuses, defined career paths, stock/incentive schemes) to prevent loss of key personnel.
5. Plan for external recruitment when necessary, with clear qualification criteria and an onboarding integration plan.
6. Set timelines and targets for successor development (e.g., readiness within 1 year / 3 years / 5 years) and define progress indicators (KPIs).

7. Require senior management/board committees to review the succession plan at least annually and report status regularly to the board.

2.2.2 Securities holder investment risk

M.C.S. Company Steel Public Company Limited is a company established in Thailand and primarily exports steel structures to Japan, 90% of which are exported to foreign countries, and also has subsidiaries abroad, namely China and Japan. Most of the business's income comes from Japan. Its base currency is Yen (JPY), which changes in exchange rates will affect the company's performance. Therefore, securities holders are at risk if there is a change in exchange rates, which will also change the performance.

2.2.3 Risks from investing in foreign securities






At present, the company does not invest in any foreign securities. Therefore, the company does not have this type of risk.

3. Driving business for sustainability

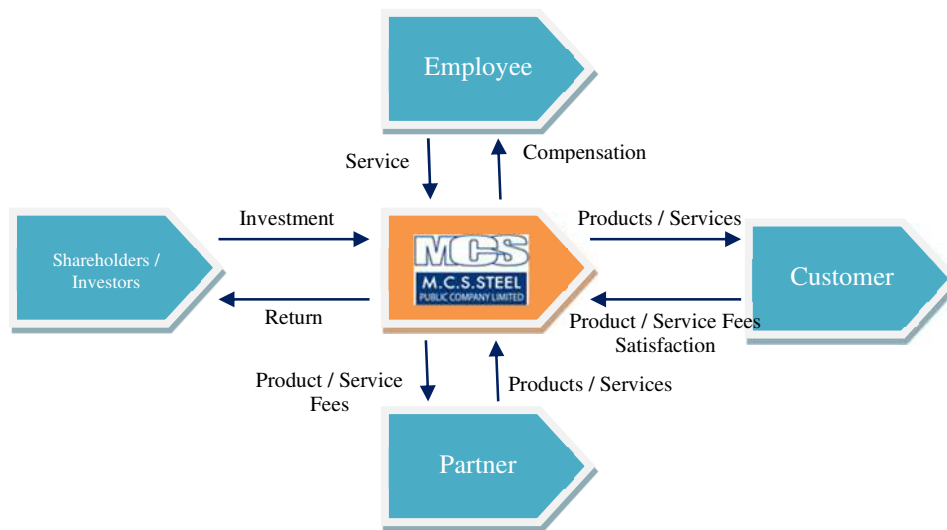


3.1 Sustainability Management Policies and Goals

The Company has made sustainable development a priority establishing policies and goals for implementing various aspects of all stakeholders. It is committed to conducting business by complying with laws and guidelines relating to government agencies and emphasize on good corporate governance practices covering all stakeholders including customers, employees, partners. The company's policies and goals are as follows:

- | | | |
|------------------------|---|---|
| Business |  | Conduct business with fairness operating in accordance with the law or related regulations, and do not infringe any copyright or intellectual property. |
| Anti-Corruption |  | Conduct business honestly with transparency and to promote awareness about working against corruption, including channels for whistleblowing in the event that something is wrong in the organization |
| Labor Treatment |  | Respect the employees' human rights and to pay compensation and benefits fairly to employees, as well as promote the learning of employees on a regular basis and provide employees with appropriate workspaces covering safety equipment arrangements so that employees can work safely. |
| Community |  | The Company operates its business in parallel with the promotion of environmental conservation in the community. |
| Innovation |  | The company regularly researches and develops production processes to reduce the working time and improve the quality of the products to the customer's requirements. |

3.2 Managing the impact on stakeholders in the value chain of business (Value Chain)



The company has a policy to serve customers with an emphasis on quality and efficiency services by producing products that meet the needs of customers. The Company therefore has established management guidelines as follows:

- All employees are certified to meet the customer requirements, including having regular knowledge training
- Produce quality products that meet the standards required by customers.
- Systematic operation processes enable monitoring of the progress of various workpieces to meet the delivery deadline.
- Before delivering the work to the customer, there is a process of quality inspection of the goods.
- Production and delivery are planned according to the contract requirements.
- Prepare a satisfaction assessment form after every delivery in order to improve the services.
- There is a guarantee of the quality of the parts delivered to the customer after installation for a period of 2 years from the date of installation.

3.2.1 Business Value Chain

When the company receives an order from a customer, the Design Department will make the drawing and then order the required raw materials. After that, it will be produced by cutting according to the drawings and assembled by welding them together. When the production is finished, the customer shall send a representative to inspect the finished goods before receiving them. When the inspection is complete, the company then delivers to the customer.



3.2.2 Stakeholder analysis in the business value chain.

The Company and its subsidiaries value stakeholders both in the organization and outside the organization, taking steps to meet the expectations of stakeholders to support the business operations of the organization.

Actions with stakeholders

Group Stakeholders	Actions	Expectancy of stakeholders	Response
1. Internal Stakeholders			
Shareholder	<ul style="list-style-type: none"> Annual shareholders' meeting Preparation of annual reports Quarterly performance report Disclosure of various information through various channels Disclosure of information through the stock exchange Access to information related to the Company's shareholders 	<ul style="list-style-type: none"> The Company's performance on the rate of return in the form of dividends and share prices. Equitable treatment of shareholders. Internal audit system and good corporate control. Risk management system for the business operations. 	<ul style="list-style-type: none"> Manage the business with transparency, fairness and accountability. Pay dividends to shareholders appropriately in accordance with the company's policy. The Investor Relations Unit is appointed with communication channels to provide

Group Stakeholders	Actions	Expectancy of stakeholders	Response
Shareholder		<ul style="list-style-type: none"> • Social and environmental responsibility in business operations <p>Providing equality to shareholders and preserving the interests of shareholders</p>	<p>accurate information and build relationships with shareholders</p>
Employee	<ul style="list-style-type: none"> • Training and development of the company's personnel. • Fair compensation and benefits • Career Progression • Having a welfare agent to protect the benefits of employees. 	<ul style="list-style-type: none"> • Support the budget for training and continue developing employees' knowledge annually. • Set the remuneration rate to suit the work of employees at all levels, including the annual award rate, according to the performance each year. • Provide benefits to employees, covering all aspects such as Provident fund, Residential and Medical Expenses, Accident Insurance, COVID-19 Insurance and more. • Quality of life of employees in work environment, safety and housing 	<ul style="list-style-type: none"> • Annual training plans are set for employees at all levels, as well as allocate training budgets to interested employees. • Establish rules for fair compensation in comparison with similar businesses whether in the form of salary or annual reward which is reviewed appropriately every year. • Respect human rights principles and equal practices. • Listen to the employee grievances and find solutions.

Group Stakeholders	Action	Expectancy Of stakeholders	Reaction
2. External Stakeholders			
Customer	<ul style="list-style-type: none"> Meeting about various plans and inspections. Conducting a service satisfaction survey. each time of the inspection Regular meetings with customers and agencies. Delivery of goods 	<ul style="list-style-type: none"> Get accurate and completed information as required Receive satisfactory service. The quality of the product meets the requirements. Timely delivery Customer information retention 	<ul style="list-style-type: none"> Inspection process before delivery. Products meet the standards as specified by the customers. Code of Conduct for Maintaining Customer Data
Creditor	<ul style="list-style-type: none"> Comply with the terms and conditions set forth in the contract. 	<ul style="list-style-type: none"> Comply with the terms and conditions set forth in the contract. Punctuality of payment 	<ul style="list-style-type: none"> Deliver the goods in a timely fashion
Debtor	<ul style="list-style-type: none"> Comply with the terms and conditions set forth in the contract. 	<ul style="list-style-type: none"> Comply with the terms and conditions set forth in the contract. 	<ul style="list-style-type: none"> Treat debtors fairly according to the specified conditions.
Competitor	<ul style="list-style-type: none"> Comply with the competition rules set by the industry or regulators, which is the norm of competitive practices. 	<ul style="list-style-type: none"> Comply with industry competition frameworks of competitive practices. 	<ul style="list-style-type: none"> Have a clear and fair trade policy. Treat business competitors fairly on the basis of business.
Environment	<ul style="list-style-type: none"> Using energy-saving equipment in business operations Improving workplace environment Energy saving and resource use campaigns Raising environmental awareness with employees 	<ul style="list-style-type: none"> Does not create any impact on society and the surrounding environment. Strictly comply with applicable laws and regulations. 	<ul style="list-style-type: none"> Clear environmental policy There is an environmental quality control system as required by law Comply with ISO 14001 and 45001

Group Stakeholders	Action	Expectancy Of stakeholders	Reaction
Environment	<ul style="list-style-type: none"> Reporting to relevant government agencies on schedule 		<ul style="list-style-type: none"> Promote and raise awareness of the energy savings of employees in the organization
Community	<ul style="list-style-type: none"> Cooperate with community agency activities, including budget support for community improvement as requested by the agency. 	<ul style="list-style-type: none"> Support for community projects / government agencies 	<ul style="list-style-type: none"> Support for community projects / government agencies

3.3 Sustainability management in the environmental dimension

The company has made environmental protection a priority in neighboring communities. The policy is to conduct business in conjunction with environmental protection, with strict compliance with the laws or regulations of government agencies. In the past 30 years, the company has never had a dispute with the community about environmental issues.

3.3.1 Environmental policies and practices

MCS focuses on the environment whether within the company or nearby, and the company has established policies for environmental management and is committed to managing resources and the environment within the organization with guidelines as follows

1. Strictly comply with the environmentally related laws and regulations 100%
2. Control, prevent, and reduce the severity of environmental pollution arising from operations to a totally low level.
3. Reduce resource and energy consumption, as well as encourage more cost-effective and efficient use of resources.
4. Campaign to raise awareness about the importance of environmental management by focusing on the participation of personnel at all levels and stakeholders.
5. Continuously review and improve operations and environment in the organization.
6. Protect the environment that affects inside and outside the company

3.3.2 Environmental Performance

On May 29-30, 2025, the company engaged NPSS Management Co., Ltd., an environmental consulting firm, to collect samples and analyze the environmental quality associated with the factory's operations. This initiative aims to monitor the environmental quality within the establishment and to use the findings to establish preventive measures and mitigate impacts on the health of employees and surrounding residents. The results of the monitoring are as detailed below:

Environmental Quality Measurement	Standard used	Number of inspected areas	Audit Results
1. The intensity of chemicals and dust in the working atmosphere.	OSHA	19	Within Standard Limits
2. Heat level	Ministerial Regulations on Heat, Lighting & Sound 2016	14	Within Standard Limits
3. Light intensity level in the workspace	Notification of Department of Labor Protection and Welfare Lighting Intensity Standards on February 21, 2018		
3.1 During the daytime		256	Most of them are within the benchmark.
3.2 Night time		84	Within Standard Limits
4. Cumulative Noise Levels (Personal Exposure)	Ministerial Regulation on Heat, Lighting, and Noise (2016)	8	Within Standard Limits
5. Average Sound Level Over 8 Hours	The standard is set according to the Ministry of Industry Announcement 2006.	8	Within Standard Limits
6. Pollutant Emissions from Exhaust Stacks	The standards are set in accordance with the Ministry of Industry Announcement 2017.	4	Within Standard Limits
7. Average sound pressure level 24 Hours	The standards are set in accordance with the Ministry of Industry 2005	4	Within Standard Limits

Environmental Quality Measurement	Standard used	Number of inspected areas	Audit Results
8. Noise Level Area around the Factory	The announcement of the National Environmental Board No. 29, B.E. 2550 (2007) and the announcement of the Ministry of Industry, B.E. 2548 (2005)	4	Within Standard Limits
9. Physical, Chemical and biology quality of wastewater	The standards defined by the Ministry of Industry in 2017	10	Within Standard Limits

A. Waste management and disposal from the production process.

In regard to the waste management and disposal from the production process, the company has adopted the Environmental Management System, or “The Environmental Management” (EMS), which is specified in ISO 14001, to be separated and stored for technically proper disposal and treatment by the specialized disposal recipients, which are supervised by the Department of Industrial Works

B. Energy management

MCS has implemented a management system, establishing an energy management task force and appointing energy officers, and has implemented annual energy-saving measures. Employees are encouraged to use energy efficiently through ongoing energy-awareness campaigns. In 2025, the following additional measures were implemented: Turn off the light during lunch break

1. Dissemination of training plans and activities to promote energy conservation.



2. Development of training plans and activities to promote energy conservation.



3. Replace the 10 HP electric paddlewheel aerator with a solar-powered 500 W motor.



Objective

- 1) To reduce electricity consumption used for aeration in the wastewater treatment system.

4. Installation of 2 H-beam robot welding systems.



Objectives

- 1) To reduce electricity consumption
- 2) To decrease workpiece flipping time
- 3) To reduce errors by using programmed positioning and weld-leg dimensioning
- 4) To reduce CO2 emissions

C. Quality inspection of wastewater from the production process

Although the company's production process generates little wastewater, the company monitors the quality of effluent discharged from the plant by conducting annual wastewater quality tests through an external agency to ensure discharge does not fall below regulatory standards for waste, residues, and pollution management.

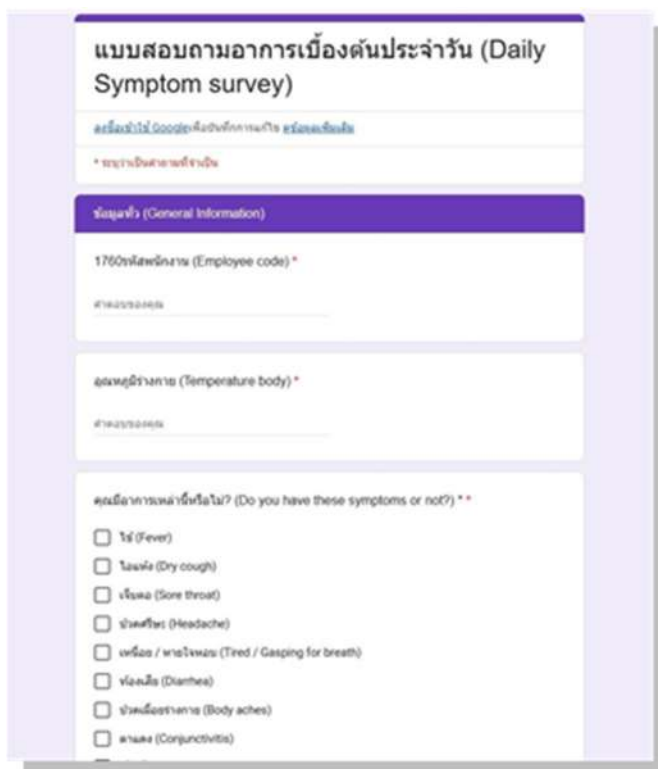
The company has four wastewater discharge points around the facility. From physical, chemical, and biological quality analyses of effluent at all four points, the results comply with the control standards specified in the Ministry of Industry Notification on Effluent Discharge Control Standards B.E. 2560 (2017), with all indices meeting the prescribed limits.

	
บริเวณตรวจวัด : ห้องน้ำ RD	บริเวณตรวจวัด : ป้อม รปภ.
	
บริเวณตรวจวัด : ห้องน้ำ Factory 1	บริเวณตรวจวัด : ห้องน้ำ Factory 4
	
บริเวณตรวจวัด : ห้องน้ำ Factory 8	บริเวณตรวจวัด : ห้องน้ำ New office
	
บริเวณตรวจวัด : ห้องน้ำ Factory 10	บริเวณตรวจวัด : ห้องน้ำ MT
	
บริเวณตรวจวัด : บ่อน้ำบาดน้ำเสีย 1	บริเวณตรวจวัด : บ่อน้ำบาดน้ำเสีย 2

D. Management to reduce greenhouse gas problems

The company recognizes the need to address greenhouse gas reduction and has established plans and energy conservation measures to help reduce its greenhouse gas emissions in the future. The following actions have been implemented:

- 1) In production and energy use: reducing dependence on natural gas by promoting electricity from renewable sources, such as solar energy.
- 2) In transportation, both on-site and off-site: promoting use of biofuels, such as biodiesel and gasohol, to reduce petroleum consumption and lower carbon dioxide emissions.
- 3) The company continuously adopts modern technologies in its operations. In the past year, the following measures were implemented to reduce energy use:
 - Using Google Forms for surveys instead of paper.



- Presenting documents via electronic whiteboards instead of distributing printed materials.
- 4) Energy-saving measures in various areas, such as lighting, by switching to energy-efficient LED lamps.

3.4 Sustainability management in the social dimension

3.4.1 Policies and guidelines in accordance with the law, rules and regulations relating to the company's business, including respect for human rights

M.C.S. Steel Public Company Limited has established policies related to society regarding respect for human rights, as well as environmental policies that aim to maintain a balance between business operations, caring for the environment, and compliance with relevant laws and regulations.

Respect for human rights

The Company has given importance and consideration to the respect of human rights as follows:

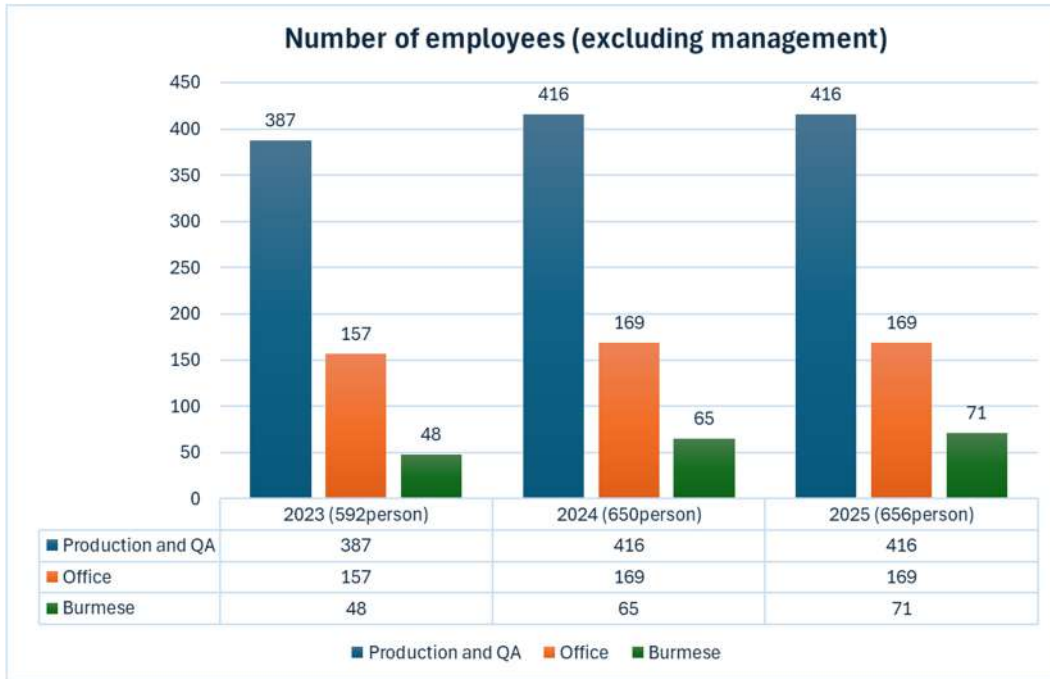
1) Not infringing on fundamental rights on race, religion, sex, age, and disability, and taking into account the human rights of employees of all races including employees with disabilities by providing equal welfare. The company gives the rights in terms of compensation including welfare such as medical expenses, life insurance, accident insurance, and equal annual monetary prize to employees without distinguishing nationality, or race; and everyone receives equal work benefits.

2) Treat employees fairly, the company has a policy to reward employees based on the amount of work and the quality of work by allowing employees to choose the level of compensation they want both in the production department and in the staff office. The Company has improved the working environment including the importance of safety and occupational health for employees, to ensure a good quality of life for them. The company provides opportunities to relocate positions and develop work potential, practice and enhance work skills regularly as well as being able to request position modifications for higher returns.

3) Ensure that businesses and employees of the Company and its subsidiaries are not involved in human rights violations, such as illegal labor, and child labor, and ensure strict compliance with the standards of labor protection laws.

4) The company provides an alternative channel for employees' grievances through the Employee Welfare Committee, which is elected by the representatives of employees in the organization, allowing the company management to establish social dialogue with employees and make improvements.

As of December 31, 2025, the number of employees (excluding the executives) is detailed as follows:



Safety and work environment

- 1) The Company provides safety policies and practices, by providing essential safety equipment to all employees working with the company, including helmets, shoes, gloves, glasses and more, as well as creating a good work environment, providing stadiums, gyms, and supporting workout budgets for employees i.e., contributing to employee football team budgets. Every year, the Company holds annual sporting events to allow employees to participate and strengthen harmony among employees in the company.

In the year 2025, there were 10 instances of employee injuries in the workplace.



Human Resource Development Policy

The Company has a policy to develop personnel at all levels regularly, by sending employees to attend training courses and study tours both domestically and internationally, especially craftsmen employees such as welders. Since the company's products are delivered to the projects in Japan, all of the company's craftsmen must meet the welding standards from Japan.

The main policy of personnel development of the company is that all employees must be trained to increase their knowledge annually so that employees continue to enhance their knowledge and skills, as the company's motto is "Every day must be better than yesterday". In the year 2025, there was a budget allocation of 6.03 million baht for employee training and development. This was divided into :

- Production staff : 5.64 million baht
- Office staff : 0.39 million baht



Table showing the training budget

In line with the company motto, " Better than yesterday everyday," in 2025 the company enhanced employees' knowledge and skills across various areas by providing ongoing training as follows:

- 1) Training on visual testing (VT) for weld quality.



2) Training on ultrasonic testing (UT)



3) Training on work procedures (standard operating procedures).



4) Training for the JIS (Japanese Industrial Standards) and AW (Architectural welding) examination.



5) Training for management-level safety officers and supervisors.



6) Others



Responsibility to Consumers (Customers)

To ensure accountability for product quality before delivery to customers, the company has implemented quality inspections of workpieces prior to shipment. In the year 2024, there were a total of 9 projects delivered, with inspections conducted a total of 59 times. The company also established satisfaction survey forms for customers each time they came for inspections.

The results of the customer satisfaction surveys over the past 5 years are as follows:

Year	Inspection (Times)	Average customer satisfaction (%)
2021	37	87.00
2022	39	93.83
2023	41	96.27
2024	59	98.72
2025	39	99.21



Community and Social Development Participation

The Company has made it a priority to contribute to community and social development by doing the following:

1) Support the Children's Day Activities in the community

Every year, the company donates money to Ratchakram Subdistrict Municipality, Bang Sai District, Phra Nakhon Si Ayutthaya Province. and donated gifts and money to staff dormitory directors to support activities and food in the Children's Day event for employees' children who live in the company area and nearby

2) Donations

In 2025, M.C.S. Steel Public Company Limited provided donations to communities and government agencies as follows:

- Donated funds to support Wat Metarang School, Pathum Thani Province
- Donated kathin robes (Kathin ceremony offerings) to Wat Ban Suang
- Donated scholarships and school supplies to Ban Suan Madeua School
- Donated funds to Pakchong Nana Hospital

- Donated an ambulance van for the 33rd anniversary event.



- Donated sports uniforms to various schools



Non-stop development for sustainable organizations

The Company realizes the importance of continuous development in business operations, therefore bringing modern technology into use including the development of personnel's abilities every year is one of our priorities. The company has a policy for all employees to learn or train, or send our employees to the training courses and study tours to obtain more knowledge. This is because the Company believes that the development of employees' abilities is what will enable the Company to grow sustainably, as the motto of the company says,

“Better than yesterday everyday” Trust .

The board of directors and Executives, including all employees, remain committed continuously and consistently to create a sustainable business for both internal and external stakeholders to have confidence and mutually benefit in both the short and long term.

4. Management Discussion and Analysis (MD&A)

4.1 Operational and Financial Analysis

➤ Overview of past performance

The company operates as a manufacturer and assembler of large fabricated steel structures for use in the construction of large buildings. The majority of the steel structures produced by the company are columns (Column-Box) and beams (Beam). In the year 2025, the total weight of delivered projects was 63,824 tons, which includes 463 tons for domestic projects (this figure also accounts for work contracted out to subsidiaries for production).

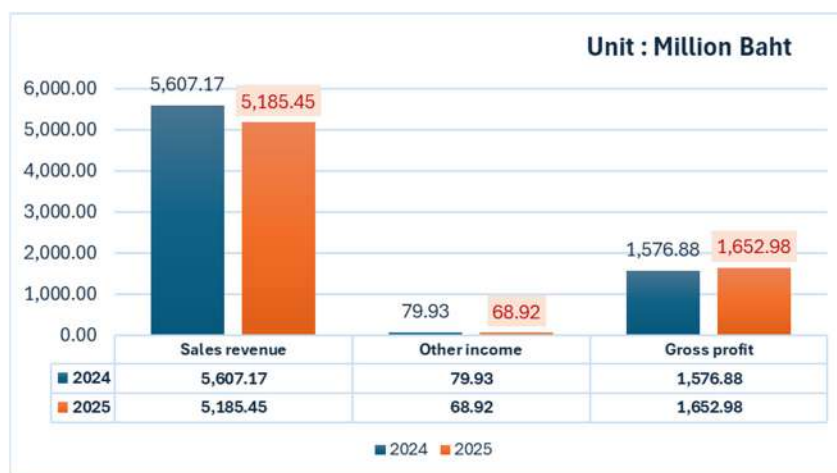
The company and its subsidiaries reported a profit for the period of 983.51 million baht, representing an increase of 293.03 million baht or 42.44% compared to 2024. The profit attributable to the parent company amounted to 960.01 million baht, which is an increase of 281.41 million baht, reflecting a growth rate of 41.47%.

The subsidiaries reported the following financial results:

- M.C.S. Steel Xiamen Co., Ltd. : Net profit of 11.10 million yuan(CNY).
- M.C.S.- Japan Co., Ltd. : Net profit of 76.35 million yen(JPY).
- Tanaka Welding Center Co., Ltd. : Net loss of 0.27 million baht.

After recognizing the profits according to the ownership stakes, the profit attributable to the parent company remains at 960.01 million baht.

➤ **Performance**



1) Revenue from sales

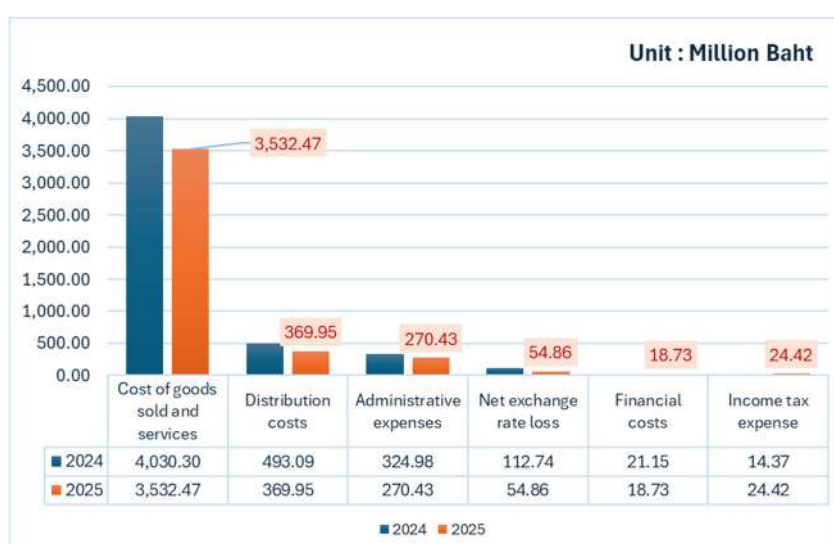
In the year 2025, the company and its subsidiaries generated sales revenue of 5,185.45 million baht, which represents a decrease of 421.72 million baht or a decline of 7.52% compared to the previous year. This decrease is attributed to a reduction in the volume of deliveries in accordance with customers' installation schedules, with the volume of deliveries dropping by 1.91%. Despite this, the selling price per unit decreased by 3.66%, and exchange rates declined by 6.34%, leading to the overall reduction in sales revenue of 7.52%.

2) Other income

In 2025, the Company recorded other income of THB 68.92 million, a decrease of THB 11.01 million from the prior year, attributable to lower gains on disposal of assets compared with 2024.

3) Gross profit

In 2025, the Company and its subsidiaries reported gross profit of THB 1,652.98 million, an increase of THB 76.10 million from the prior year, representing a 4.83% rise. Gross margin in 2025 was 31.88%, up from 28.12% in the prior year, attributable to a reduction in cost of sales.



4) Cost of sales of goods and rendering of services

In 2025, the Company and its subsidiaries reported cost of sales and services, including contract costs, of THB 3,532.47 million, a decrease of THB 497.83 million from the prior year. The reduction in cost of sales was due to lower delivery volumes and decreased steel prices compared with the prior year.

5) Distribution costs

In 2025, the Company and its subsidiaries reported distribution costs of THB 369.95 million, a decrease of THB 123.14 million, or 24.97%, from the prior year, attributable to a reduction in project delivery volumes..

6) Administrative expenses

In 2025, the Company and its subsidiaries recorded administrative expenses of THB 270.43 million, a decrease of THB 54.55 million, or 16.79%, from the prior year, primarily due to the reversal of allowance for doubtful accounts collected by a subsidiary and lower foreign exchange rates.

7) Net foreign exchange loss

In 2025, the Company and its subsidiaries recorded a net foreign exchange loss of THB 54.86 million, a decrease of THB 57.88 million from the prior year, resulting from volatility in the Japanese yen (JPY) exchange rate.

8) Finance costs

In 2025, the Company and its subsidiaries incurred finance costs of THB 18.73 million, a decrease of THB 2.42 million from the prior year, attributable to reduced steel purchases which lowered engagement fees linked to L/C values and shortened credit term periods.

9) Income Tax Expenses

In 2025, the Company and its subsidiaries recorded income tax expenses of THB 24.42 million, an increase of THB 10.05 million, or 69.94%, from the prior year, attributable to higher profits.

➤ **Financial status****Total assets**

As of December 31, 2025, the company reported total assets of 5,760.08 million baht, a decrease of THB 310.02 million, or 5.11%, from 31 December 2024.

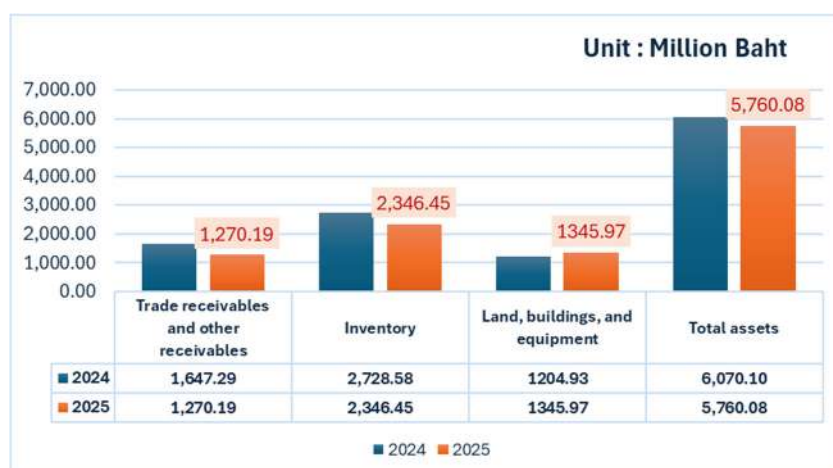
The Summary of the company's main assets are detailed as follows:

- **Cash and cash equivalents**

The company has cash and cash equivalents as follows:

Year	Total (million baht)
2023	153.19
2024	145.73
2025	537.83

As of the end of 2025, the Company's cash and cash equivalents comprised both Thai baht and foreign currencies, allocated as follows: THB 10.43%, RMB 12.49%, JPY 76.95% and USD 0.13%. The Company maintains foreign-currency balances-particularly Japanese yen (JPY)-to settle its foreign-currency liabilities, the majority of which are denominated in JPY.



- **Accounts receivable, trade accounts receivable and other receivables**

The Company sells domestically and internationally. For domestic customers, the Company's policy requires all customers to open a Letter of Credit (LC), obtain an aval on credit, or provide a bank guarantee upon delivery of goods; the Company extends credit of 45-60 days after delivery. For international sales, the Company requires all customers to open a Letter of Credit upon delivery. Accordingly, the Company does not establish an allowance for doubtful accounts for either domestic or foreign customers.

In addition, the Company requires performance security receivables equal to 5–10% of the contract value, in accordance with contract terms. These amounts are payable to the Company upon completion of the steel structure works, typically within approximately 2-4 months after delivery. Trade and other receivables of the Company as at year-end 2024 (B.E. 2567) amounted to THB 1,647.29 million.

The company and its subsidiaries have trade receivables and other receivables are divided as follows:

Unit : million baht

(Unit: Million Baht)	31 Dec 2023	31 Dec 2024	31 Dec 2025
Trade receivables			
- Overseas	724.59	1,143.92	939.02
- Domestically	22.62	-	10.46
Rebalance receivables			
- Overseas	178.61	345.66	-
- Domestically	-	-	189.12
Other receivables	107.86	157.71	131.59
Total	1,033.69	1,647.29	1,270.19

Inventories

Inventory comprises steel stock, fasteners, consumables and work-in-progress. As at 31 December 2025, the Company's inventory amounted to THB 2,346.45 million, a decrease of 14.00% from year-end 2024. The inventory was procured according to existing production schedules. The Company manages inventory by segregating stock by age and type, applying a first-in, first-out (FIFO) approach, regularly reviewing appropriate stock and raw material levels, and conducting production planning in advance.

Therefore, the company can estimate the use of raw materials and deliver the remaining products appropriately along with minimal waste.

Property, plant and equipment

As at year-end 2023, the Company's land, buildings and equipment amounted to THB 1,243.01 million; as at year-end 2024, THB 1,204.93 million; and as at year-end 2025, THB 1,345.97 million, representing 23.58%, 19.85% and 23.37% of total assets, respectively.

For year-end 2025, net land, buildings and equipment increased by THB 141.04 million from 2024, attributable to construction of a new plant and the importation of robotic equipment to enhance the Company's production system.



Total liabilities

As at 31 December 2025, total liabilities amounted to THB 1,623.50 million, a decrease of THB 687.42 million, or 29.75%, from 31 December 2024, primarily due to repayment of payables related to steel purchases.

Shareholders' Equity

As at 31 December 2025 (B.E. 2568), total shareholders' equity amounted to THB 4,136.58 million, an increase of THB 377.39 million, or 10.04%, from 31 December 2024 (B.E. 2567), due to the following material movements:

- Profit for the year attributable to the Company and its subsidiaries: THB 983.51 million.
- Dividends paid: THB 357.74 million - comprising a final dividend for the 2024 fiscal year of THB 0.50 per share paid in May 2024 and an interim dividend for the 2025 fiscal year of THB 0.25 per share paid in September 2024.
- Foreign currency translation differences on the conversion of JPY-denominated financial statements, reflecting an approximate 6.15% depreciation of the JPY exchange rate as at 31 December 2025 versus 31 December 2024.

➤ **Financial liquidity and source of funds of the company**

Cash flow

In 2025, the Company reported net cash generated from operating activities of THB 1,323.83 million, net cash used in investing activities of THB 334.65 million, and net cash used in financing activities of THB 601.51 million, resulting in an increase in cash and cash equivalents of THB 392.11 million as at 31 December 2025 compared with 31 December 2024.

The Company's income tax paid in advance increased from THB 10.78 million in 2024 to THB 33.45 million in 2025. The Company maintains sufficient cash liquidity to meet these tax obligations.

Liquidity ratio

The Company's current ratio during 2023–2025 ranged from 2.43 to 2.66 times. The quick ratio was 0.85x in 2023, 0.89x in 2024 and 1.11x in 2025.

Source of funds

The Company's capital is sourced from liabilities and shareholders' equity. The debt-to-equity ratio was 0.40x in 2023 (B.E. 2566), 0.51x in 2024 (B.E. 2567) and 0.50x in 2025 (B.E. 2568).

4.2 Factors or events that may significantly affect the financial position or operations in the future (Forward-looking)

Because the company's business is primarily export-oriented to Japan, the following factors may affect future operations:

- 1) Exchange rate volatility: Financial uncertainty may cause fluctuations in the JPY/THB rate, affecting revenue and profit.
- 2) Transportation and logistics risk: Shipping routes or transport services may be restricted, freight rates may rise, or delays may occur due to port/route closures.
- 3) Increased insurance and transport costs: War-related risks may raise cargo insurance premiums and logistics costs.
- 4) Supply chain disruption: Sourcing raw materials from abroad or affected suppliers may cause production delays or shortages.
- 5) Decline in demand in the Japanese market: A slowdown in the Japanese economy or changes in product demand may reduce order volumes.
- 6) Energy and raw material cost risk: Fuel and raw material prices may surge due to conflict, increasing production and transportation costs.
- 7) Labor and workforce regulation risk: Labor shortages or travel restrictions affecting personnel may impact production and delivery.

4.3 Important financial information

Key Financial Ratios and Operating Results of the Company and its Subsidiaries Comparison of 3 years

อัตราส่วนทางการเงิน (Key Financial Ratio)		2025	2024	2023
อัตราส่วนสภาพคล่อง (Liquidity Ratios)				
อัตราส่วนสภาพคล่อง / Current ratio	(เท่า / Time)	2.66	2.43	2.54
อัตราส่วนสภาพคล่องหมุนเร็ว / Quick ratio	(เท่า / Time)	1.11	0.89	0.85
อัตราส่วนหมุนเวียนลูกหนี้การค้า / Receivable current ratio	(เท่า / Time)	3.55	4.18	6.07
ระยะเวลาเก็บหนี้เฉลี่ย / Avg. debt collection period	(วัน/Day)	102.68	87.26	60.16
อัตราส่วนหมุนเวียนสินค้าคงเหลือ / Inventory turnover period	(เท่า / Time)	1.39	1.58	1.51
ระยะเวลาขายสินค้าเฉลี่ย / Avg. selling period	(วัน/Day)	262	232	242
อัตราส่วนหมุนเวียนเจ้าหนี้ / Payable current ratio	(เท่า / Time)	2.43	2.73	2.44
ระยะเวลารับชำระหนี้ / Loan repayment period	(วัน/Day)	150.35	133.66	149.86
Cash Cycle	(วัน/Day)	214.52	185.23	152.53
อัตราส่วนแสดงความสามารถในการหากำไร (Profitability Ratios)				
อัตรากำไรขั้นต้น / Gross profit margin	(%)	31.88	28.12	18.23
อัตรากำไรสุทธิ / Operating profit margin	(%)	18.72	12.14	2.48
อัตราผลตอบแทนผู้ถือหุ้น / Return on equity	(%)	24.91	18.36	3.75
อัตราส่วนแสดงประสิทธิภาพในการดำเนินงาน (Efficiency Ratios)				
อัตราผลตอบแทนจากสินทรัพย์ / Return on assets	(%)	16.63	12.18	2.40
อัตราผลตอบแทนจากสินทรัพย์ถาวร / Return on fixed assets	(%)	77.11	56.41	11.03
อัตราการหมุนของสินทรัพย์ / Assets turnover	(เท่า / Time)	0.88	0.99	0.96
อัตราส่วนวิเคราะห์หนี้ โยบายทางการเงิน (Financial Policy Ratios)				
อัตราส่วนหนี้สินต่อส่วนของผู้ถือหุ้น / Debt to equity ratio	(เท่า / Time)	0.50	0.51	0.40
อัตราส่วนความสามารถชำระดอกเบี้ย / Interest coverage ratio	(เท่า / Time)	52.81	32.33	3.17
อัตราการจ่ายเงินปันผล / Pay out ratio **	(%)	47.20	49.20	92.73

Remark : The company does not have finished goods balance because it will deliver the goods to the customer when the goods are produced. Therefore, the ratio calculated will be the inventories in Steel inventory, Consumables, Inventory Nuts, and Work-in-Process.

Key Financial Ratios and Operating Results of the Company and its Subsidiaries Comparison of 3 years (Continued)

Share value and growth rate of each business type		2025	2024	2023
อัตราการเติบโต (Growth Ratio)				
สินทรัพย์รวม / Total Assets	(%)	-5.11	15.05	-22.45
หนี้สินรวม Total liabilities	(%)	-29.75	52.81	-47.12
รายได้จากการขายหรือบริการและรายได้ตามสัญญา				
Revenue from sales of goods and rendering of services	(%)	-7.52	-2.94	44.86
ค่าใช้จ่ายดำเนินงาน / Operation Expenses	(%)	-16.79	3.90	46.58
กำไรสุทธิ / Net Profit	(%)	42.44	377.52	7.46
ข้อมูลต่อหุ้น (Information per share)		8.67	7.88	7.89
มูลค่าตามบัญชีต่อหุ้น / Book Value per share	(บาท/Baht)	2.01	1.42	0.35
กำไรสุทธิต่อหุ้น / Net Profit per share	(บาท/Baht)	0.95	0.70	0.32
เงินปันผลต่อหุ้น / Dividend per share	(บาท/Baht)	0.32	0.20	0.32

5. General and other important information

5.1 General Information	
Company	M.C.S. Steel Public Company Limited
Nature of Business	Manufacturing and distributing large steel structures
Head office and factory address	70 Moo 2, Chang Yai Sub-district, Bang Sai District, Phra Nakhon Si Ayutthaya Province
Registration number	0107548000048
Registered capital	477,000,000 Baht 477,000,000 ordinary shares with a par value of 1 baht per share (full payment)
Website	www.mcssteel.com
E-mail	info@mcssteel.co.th
Phone	035-372961-6 , 089-9001217-8
Fax	035-372967-8

Other references

A) Securities Registrar

Thailand Securities Depository Company Limited
 93 Ratchadaphisek Road, Din Daeng Subdistrict, Din Daeng District, Bangkok
 10400
 Telephone +66(0) 2009-9000
 Fax +66(0) 2009-9991

B) Auditor

Mr. Banthit Tangpakorn
 Certified Public Accountant No. 8509
 Auditor approved by the SEC Office
 PKF Audit (Thailand) Co., Ltd.
 Sathorn Square Office Tower, Unit 2812, 28th Floor, No. 98.
 Northern Sathorn Road, Silom Subdistrict, Bang Rak District, Bangkok 10500
 Telephone +66(0)2108 1591 Fax +66(0)2108 1599

C) Legal advisor

Paramee Law Company Limited
 511/4 Pracha Uthit Road 117/1, Thung Khru Subdistrict,
 Thung Khru District, Bangkok 10140
 Phone +66(0) 2815-9523

D) Financial advisor

- None -

5.2 Other important information

5.2.1 Important information that significantly affects to the investor's decision-making

- None -

5.2.2 Restrictions on foreign shareholders

- None -

5.3 Legal Disputes

As of December 31, 2025, the Company has no lawsuits that may affect the assets of the Company and its subsidiaries of which the value is greater than 5% of the shareholders' equity.

5.4 Secondary market

- None -

5.5 Financial institutions that are in constant contact (Only in the case of bonds)

- None -

Portion 2

Corporate Governance

Part 2 Corporate Governance

6. Corporate Governance Policy

6.1 Overview of corporate governance policies and practices

The Company attaches great importance to compliance with good corporate governance principles to promote sustainable growth of the Company. The Board of Directors has established a policy of good corporate governance in writing for executives and employees to adhere to as guidelines for practice covering the following matters:

- 1) Rights of Shareholders
- 2) Equitable treatment of shareholders
- 3) Role of Stakeholders
- 4) Board of Directors

6.1.1 Policies and guidelines relegated to directors

- **Structure of the Board of Directors**

- 1) **Board of Directors**

1. The Board of Directors consists of not less than 5 members, of which not less than half of the total directors must reside in the Kingdom of Thailand and must have the qualifications as required by law.
2. Board of Directors shall be knowledgeable, capable and experienced in business operations, acting as a leader and setting the company's policies, vision, strategies, goals, missions, business plans, and budgets. In addition, they shall supervise the management team to carry out the work as set out with efficiency and effectiveness within the framework of the law, objectives, and articles of association of the company and the resolution of the shareholders' meeting with responsibility and honesty cautious according to the principles of good practice.
3. The Board of Directors consists of independent directors at least one-third of all directors.
4. A company director shall not hold a directorship position in more than 5 listed companies.
5. All company directors must have completed at least one basic training course for directors from the Thai Association of Directors (IOD). To understand the duties of directors of listed companies.

2) Audit Committee

The Audit Committee consists of at least 3 independent directors serving as the Audit Committee. All Audit Committee members must have all the qualifications as specified in the Stock Exchange of Thailand Notification regarding the Qualifications and Scope of Work of the Audit Committee, to perform the duties of checking and balancing business administration in various fields of the company.

To ensure fairness and maximum benefit to all shareholders, there must be at least 1 member of the Audit Committee who knows accounting.

3) Sub-committees

The Company has appointed other sub-committees to perform various duties as appropriate which include the following committees:

- (1) Executive Committee
- (2) Audit Committee
- (3) Nomination and Remuneration Committee
- (4) Risk Management Committee

No.	Sub-Committee	Member's Composition (Number of people)
1.	Executive Committee	5
2.	Audit Committee	3
3.	Nomination and Remuneration Committee	3
4.	Risk Management Committee	5

4) Board of Directors Meeting

The Board of Directors holds meetings at least once every 3 months and may call for a meeting as appropriate and necessary. The meeting schedule is set in advance throughout the year and does not include any special agendas that are set afterward. The meeting agenda and supporting documents are delivered to the committee at least 5 days in advance of the meeting or less for reason and necessity. In each meeting, the chairman of the board has to preside over the meeting. If the chairman is not able to attend the meeting, the committee will appoint another director to act as the chairman of the meeting by specifying a quorum that must be attended by not less than two-thirds of the Board of Directors so that the meeting can be opened.

5) Board Meeting Minutes

The secretary of the Board of Directors is responsible for taking board meeting minutes which will be sent to the Board of Directors for approval in the next meeting. If the Company's directors wish to amend the minutes of the previous meeting, they can do so at the Board of Directors' meeting. The minutes of the meeting contain at least the following information.

- (1) Date and time of commencement and termination of the meeting
- (2) List of directors attending the meeting and not attending the meeting, including related persons who attend the meeting
- (3) Important matters in various agendas
- (4) Comments/suggestions/questions of the Board of Directors
- (5) Resolution of the meeting, list of directors in case of disagreeing on that agenda

6) Report of the Board of Directors

The Board of Directors is responsible for the Company's financial statements. Such financial statements are prepared in accordance with generally accepted accounts in Thailand and audited by a certified public accountant licensed by the Securities and Exchange Commission. In this regard, the Audit Committee is responsible for reviewing the quality of financial reports and internal control systems, including adequate disclosure of important information in the notes to the financial statements. The Audit Committee will present the opinions of the Audit Committee to the Board of Directors and the shareholders' meeting respectively.

7) Remuneration of Directors

Approved by the Shareholders' Meeting, the Board of Directors has designated a nomination and remuneration committee, to consider the remuneration of directors clearly and transparently. The remuneration is determined in such a way that it is linked to the Company's performance in the past year and compared it to other similar businesses. The remunerations established are appropriate for the duties and responsibilities of the directors in the form of monthly remuneration and meeting allowance.

8) Term of Office of the Board of Directors

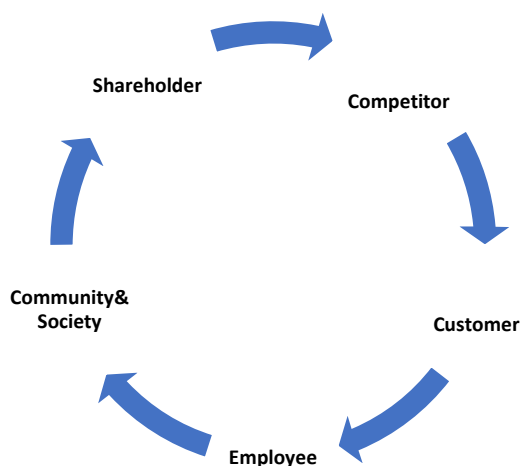
At every annual general meeting of shareholders, one-third (1/3) of the number of directors at that time shall retire from office. If the number of directors cannot be divided exactly into three parts, it is issued by the number closest to one-third (1/3). The directors who vacate office upon the expiration of the term may be re-elected.

The committee members shall agree to mutually agree on the order of vacating the office following the procedures mentioned in the above paragraph.

The directors who must retire from office in the first and second year after the company registration by the draw, in subsequent years, the member who has been in office for the longest time shall retire from office.

6.1.2 Policies and practices relevant to shareholders and stakeholders

The MCS committee attaches great importance to the stewardship of the rights of all stakeholders, both inside and outside the company, including social and environmental responsibilities. The stakeholder groups are divided into 5 main groups and the guidelines for stakeholders have been clearly defined for the Company's directors, executives and employees to adhere to as guidelines. It covers the following matters:



1. Rights of shareholders

1. Shareholder Meeting

1) The Company shall provide information, date, time, location and agenda of the meeting in both Thai and English in advance through the Company's website at least 14 days prior to the meeting, with statements and reasons for each agenda in accordance with the resolutions requested as specified in the Invitation to the AGM of Shareholders, as well as the documents attached. The Company has assigned Thailand Securities Depository Company Limited, which is the Company's share registrar to deliver the invitation letter for the shareholders' meeting and supporting documents to all shareholders at least 7 days prior to the meeting date, and in case of special agenda requiring shareholders to consider. It will be sent at least 14 days in advance with the meeting invitation letter with complete details as follows:

- Agenda for approving dividend payment: The company's dividend payment policy has been informed including the proposed dividend rate and the proportion of dividends in case of receiving BOI tax rights
- Agenda to consider appointing directors: Specifying name, surname, age, number of years as a director, educational qualifications, and related training courses, work history, number of companies holding director positions, positions of directors proposed, shareholding, including attendance information for the past year, and legal disputes in the past 5 years, and the remuneration of the approved directors

- Agenda for the appointment of auditors: Clearly stated the name of the auditor is specified including his/her affiliated company, license number, number of years auditing for the company, including the independence of the auditors and the auditor's remuneration
- 2) At the shareholders meeting, the following people are required to attend the meeting:
- (1) All Directors **
 - (2) Chief Executive Officer or Managing Director
 - (3) Chief Executive Officer of the Accounting Department
 - (4) Auditor
 - (5) Legal advisor
- ** Except in the event of force majeure that cannot attend the meeting.
- 3) The Company holds shareholders meetings in Bangkok or neighboring provinces with convenient travel. The meeting shall be scheduled on weekdays that do not coincide with long holidays, and arrange for registration at least 1.30 hours before the start of the meeting, and shareholders can register until the final agenda. Shareholders shall be able to travel through public transport. If any shareholders are inconvenient attending the meeting, the company shall arrange a Proxy Form so that shareholders can determine the direction of voting and one independent director or non-executive director shall be appointed as an alternative for the proxy of the shareholders.

2. Actions taken on the day of the shareholders meeting

- 1) The Company arranges the use of technology for the shareholders' meeting by adopting the Barcode system to assist in registration. For the shareholders who do not bring the barcode registration documents, the company arranges a registration officer. by using the ID card code or the name and surname of the shareholder. For the counting of votes in each agenda for those who disagree or abstain from voting, votes were collected through the barcode system as well. Therefore, the registration or vote counting is fast and accurate, and the video is recorded to be published on the company's website after the meeting.
- 2) In meetings, the Chairman of the Meeting allows shareholders to inquire on matters related to the agenda. In other sessions, the Company has allowed shareholders to question issues for some time. Details of questions and answers are recorded in the minutes.
- 3) At the shareholders' meeting, the Company holds a vote in individual order, with a ballot prepared. Separately, the appointment of directors, gives shareholders the opportunity to appoint directors individually, as well as vote on the remuneration of directors separately from the appointment of directors. After the meeting, the company kept ballots on all sessions.

3. Preparation of minutes and disclosure of shareholders' meeting resolutions

- 1) Prior to the start of the meeting, the company explains how to vote on various agendas and records in the minutes of the shareholders' meeting of the voting process. Questions and votes on each term that shareholders agree on disagree and abstention, including the number of invalid cards. In addition, the names of attending directors are listed and submitted to the resolutions of the shareholders' meeting the next day through the Stock Exchange of Thailand's reporting system. To keep shareholders informed of both Thai and English, the full minutes of the meeting shall be disclosed on the company's website.

In the year 2025, the company will hold a meeting at Grand Hall, The Athenee Hotel, Bangkok. To provide shareholders the opportunity to consider various agendas of the meeting, the company has sent an invitation letter along with supporting documents to shareholders at least 14 days in advance, and has also published this information on the company's website in both Thai and English at least 7 days in advance.



2. Equitable treatment of shareholders

The Company encourages equal treatment of all shareholders to protect the fundamental rights of all shareholders as follows:

1. Information before the shareholders' meeting

- The Company informs the schedule of the meeting with agendas and opinions of the Board of Directors to the SET and published via the Company's website at least 14 days before the date of the shareholders' meeting. The above notice of shareholders' meeting is prepared in both English and Thai versions.

2. Protection of the rights of minority shareholders

- The Company has notified the criteria for all minority shareholders to be able to propose additional agendas in advance and to nominate a person to be a director one month before the date of the shareholders' meeting to demonstrate fairness and transparency.
- As for the agenda for appointing directors, the Company allows shareholders to exercise their rights to appoint directors individually.

3. Protection of insider information

- The Company attaches importance to an effective internal control system. Therefore, it determines the retention and prevention of insider information by having all executive directors of the Company in the organization hold a code of conduct, prohibiting all senior executive directors of the Company from trading in the company's securities, including transferring or being transferred.
- Company securities one month before the public announcement and require all directors and executives who are obliged to report their legal holdings both on the part of the spouse and underage children and notify the company secretary every time there is an action related to the company's securities. To be disclosed in the annual data report (Form 56-1 One Report)

4. Interests of Directors

- In determining the agenda related to any director, the Board of Directors requires the Directors to report the stake at least before considering the agenda, and record it in the minutes of the Board of Directors meeting, as well as refrain from participating in the meeting.

5. Disclosure of connected transactions that are subject to disclosure

- The company discloses the details and reasons for the connected transaction that fall within the scope of disclosure of information in the annual information report (form 56-1 One Report) to shareholders. The report has been reviewed by the Audit Committee clearly explaining the reasons for considering entering into the transaction.

3. Role of Stakeholders

The Company has given importance to the rights of all groups of stakeholders, whether they are internal stakeholders such as employees and executives of the Company or external stakeholders such as creditors, competitors, etc., with details as follows:

- Employee : Treat employees fairly and equally according to human rights principles. There is no discrimination against skin color, race or nationality. The company pays reasonable compensation according to the abilities of the employees and always provides opportunities for employees to increase their knowledgeability is always including providing various welfare to all employees appropriately, such as

- 1) Provident Fund The maximum contribution rate is 15% for employees with more than 15 years of service.
 - 2) Staff Village by constructing houses and selling them to employees at a lower price than the market
 - 3) Provide necessary safety equipment for all employees working in the company, including helmets, shoes, gloves, goggles, etc., and create a good working environment by providing a sports gym.
- Creditor : Comply with the terms and conditions outlined in the contract and do not promote dishonest claims of benefits.
- Customer : Caring and being responsible to customers by producing quality and standard products. Maintaining the customers' confidentiality and providing a system to receive customer complaints to act in a fair resolution as soon as possible, such as:
- 1) Set a reserve limit for parts during the life of the product after delivery for a period of at least 2 years to ensure the customer's confidence in the quality of the company's products.
- Competitor : Comply with the framework of competition rules that the industry or regulatory authorities establish and maintain norms of competitive conduct, such as:
- 1) There are procedures and processes for selecting business partners or contractors set out in writing
- Society : Be socially responsible by conducting business with professional ethics and supporting activities. that is helpful and creative to the society as appropriate, such as
- 1) The operations are conducted systematically according to ISO 14001:2015 and ISO 45001:2018 standards, ensuring that the company's production system does not pose a threat to the environment.
 - 2) Various monetary donations are made to support the operations of government agencies, hospitals, schools, and police stations as appropriate.

In 2024, the Company does not have any significant disputes with stakeholders. The company has complied with the good corporate governance policy as clearly defined.

4. Disclosure and Transparency

The Company recognizes the importance of good corporate governance to increase transparency and the competitiveness of the business, as well as to increase confidence in shareholders and all related parties. Therefore, it has established a corporate governance policy covering important principles as follows:

- (1) Equitable treatment of shareholders and stakeholders fair to all parties.

(2) The Board of Directors is committed to creating value added to the business in the long term, managing work and managing risks with prudence and caution, and being responsible for performing duties with sufficient competence and efficiency, to make the most of the benefits for shareholders including preventing conflicts of interest and taking responsibility for their own decisions and actions.

(3) The operations are transparent and verifiable, and disclose sufficient information to all relevant parties.

(4) Establishing business ethics for directors and employees to practice, and preparing compliance manuals.

In addition, the Company will comply with all rules and regulations as specified by the Securities and Exchange Commission and the Stock Exchange of Thailand. After the company's ordinary shares were listed on the Stock Exchange of Thailand, the Company disclosed its corporate governance report in its annual statement (Form 56-1 One Report).

The Board of Directors attaches importance to accurately disclose complete and transparent information to all shareholders. The Company continues to focus on disclosing information and presenting such information to shareholders and investors under the standards and regulations set by the Securities and Exchange Commission through the dissemination of information from the Stock Exchange of Thailand and the following channels:

- 1) Company Website (www.mcssteel.com)

The Company sets the minimum information disclosed on its website as follows:

- Company Information
- Nature of Business
- Project Examples
- Board of Directors
- Organizational Structure
- List of Major Shareholders
- Company Regulations
- Dividend Policy
- Latest Financial Statements
- Annual Data Statement (Form 56-1 One Report)
- Good Corporate Governance Report
- Documents relating to the AGM
- Other documents required

- 2) Making a request through the company's e-mail address to mcs.ir@mcssteel.co.th
- 3) Making a phone call to inquire about the information at investor Relation as details No. 7.6.2

6.2 Business ethics

The company operates by preparing the Compliance Manual which focuses on business ethics and compliance with official regulations and is signed for acknowledgment and compliance by the director's management and staff. The Company will monitor the implementation of the manual regularly and impose disciplinary penalties.

6.3 Major changes and developments of policies, guidelines and corporate governance in the past year

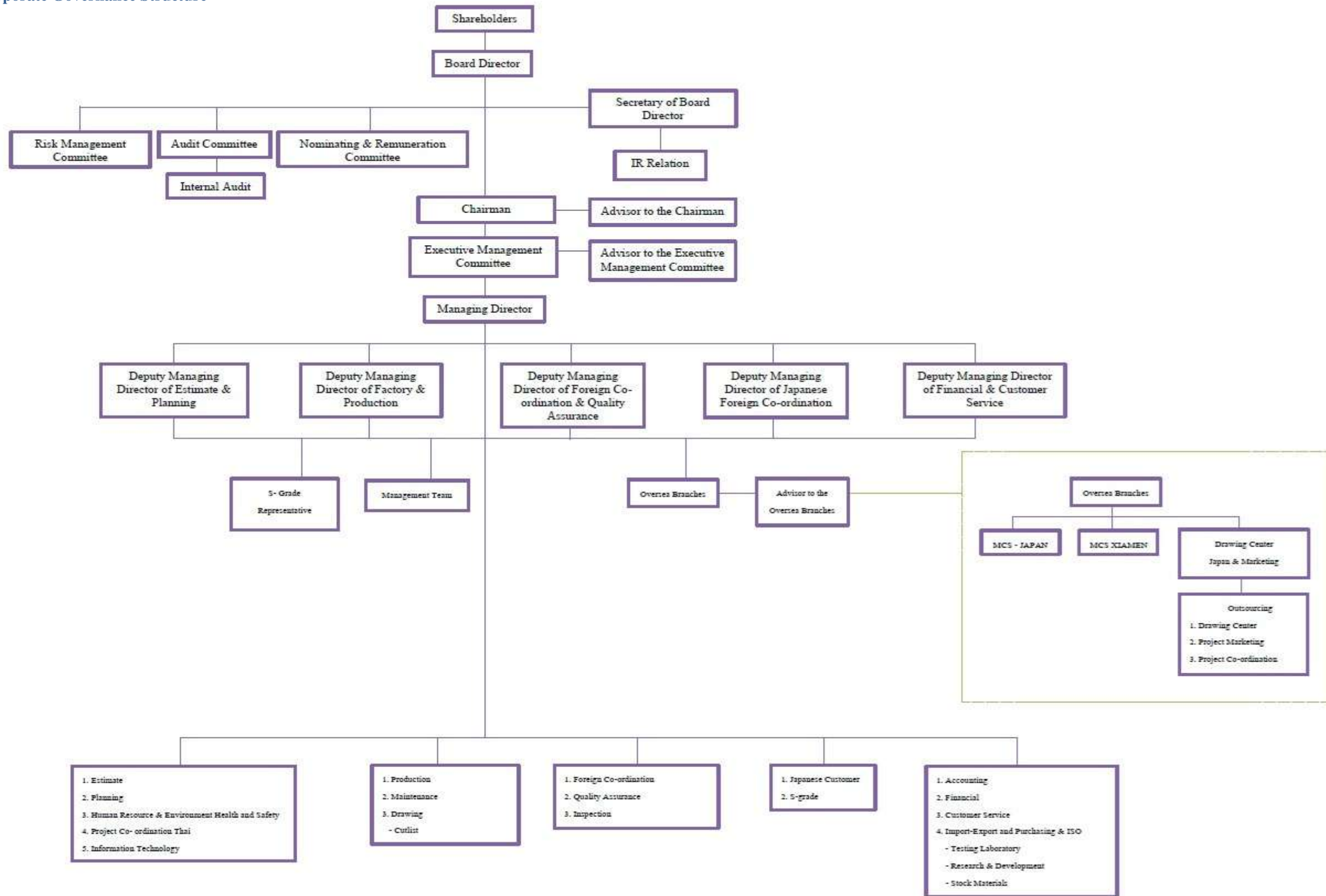
The Company has continually improved its policies, practices, and good corporate governance systems. In the past 2025, the Company has taken the following actions:

- (1) The risk management committee holds joint meetings with the management committee to identify the types of risks within the organization, as well as to establish guidelines for risk prevention across various aspects. Regular monitoring is also carried out.
- (2) Internal control system audit plans are established for both short-term and long-term periods, ensuring confidence in the company's internal control system being at a good level.
- (3) Regarding board member selection, replacements for outgoing members are carefully selected and evaluated to propose to the shareholders' meeting for appointment. This includes considering annual board member compensation for presentation to and approval by the shareholders' meeting.
- (4) Clear channels for complaints or reports regarding wrongdoing within the organization are established.
- (5) Promotion of equality within the organization ensures that employees of various nationalities have equal benefits, including annual bonuses, healthcare coverage, accommodation, and others. Additionally, efforts are made to promote the employment of differently-abled individuals within the company.
- (6) Annual reviews of the MCS committee charter and various subcommittees are conducted to ensure appropriateness.

7. Corporate Governance Structure and Important Information about the Board of Directors, Sub-Committees, Executives, Employees and Others



7.1 Corporate Governance Structure



7.2 Information about the Board of Directors

7.2.1 The Board of Directors Structure

As at 31 December 2025, the Board of Directors consisted of 8 directors as follows:

No.	Name	Position	Type	2025
				Number of meeting
1.	Dr.Naiyuan Chi	Chairman of Board Director	Executive Director	7/7
2.	Police General Damrongsak Kittiprapas	Vice Chairman and Audit Committee	Independent Director	7/7
3.	Mr.Phairat Viwatborvornwong	Director	Executive Director	7/7
4.	Mr.Pornchai Phisarnanukunkit	Director	Executive Director	7/7
5.	Ms.Wanna Pholkaew	Director	Executive Director	7/7
6.	Gen. Titiwat Kamlang-Ek **	Chairman of Audit Committee	Independent Director	5/7
7.	Mr.Tinakorn Seedasomboon	Audit Committee	Independent Director	7/7
8.	Mr.Supoj Kaewmanee	Audit Committee	Independent Director	7/7
9.	Mr.Hideo Iwaki	Director	Director	3/7

Remark :

** Gen. Titiwat Kamlang-Ek resigned from her position on October 31, 2025.

The company's board of directors consists of 3 independent directors out of a total of 8 directors, accounting for 37.50% of all directors.

7.2.2 Profiles of Directors and Controlling persons

Detailed in Attachment 1.

7.2.3 The Board's Responsibilities

The Board's Responsibilities

The Board of Directors has the important duties and responsibilities as follows:

1. Manage to comply with the laws, objectives, and company regulations as well as resolutions of the Shareholders' Meeting with lawful, honest, and good corporate governance
2. Determine the policies, budgets, and operational directions of the Company to be suitable and supervise the administration and the management of the Executive to be by the assigned policies and the regulations of the Stock Exchange of Thailand, except the following matters that the Board of Directors must receive an approval from the Shareholders' Meeting before taking action, such as capital increase, capital reduction, issuance of debentures, selling or transferring of entire or partial business to other persons, or buying or receiving the business transfer of other companies to belong to the Company, or revision of the Memorandum of Association or regulations, including the payment of pension or director compensation.
3. Control the Company's operation to be in accordance with the rules and regulations of relevant official agencies with adequate information disclosure to all parties of shareholders and relevant persons and to obtain transparency in the administration as well as maximum benefits to the shareholders.
4. Have the authority to consider appointing a certain number of directors as see appropriate as other sub-committees to supervise the business of the Company as the Board of Directors has assigned
5. Have the authority to consider appoint any other person to operate the Company under the control of the Board of Directors or might give the authority to the said person to have the authority as the Committee sees appropriate within the specified period of time

Authorized Directors

At present Dr.Naiyuan Chi or Mr.Phairat Viwatborvornwong or Mr.Pornchai Phisarnanukunkit or Ms.Wanna Pholkaew any two persons signing jointly with the Company's seal affixed.

7.3 Sub-Committee

7.3.1 Structure of Directors of the Company

The Sub --Committee structure consists of 4 groups of directors which are :

- (1) Executive Director
- (2) Audit Committee
- (3) Nomination and Remuneration Committee
- (4) Risk Management Committee

7.3.2 List of each Committee

(1) Executive Director

At present, the Executive Directors comprised 5 members :

No.	Name	Position
1.	Ms.Wanna Pholkeaw	Chairman of the Executive Board
2.	Mr.Phairat Viwatborvornwong	Executive Director
3.	Mr.Pornchai Phisarnanukunkit	Executive Director
4.	Mr.Yoshiyasu Kagehiro	Executive Director
5.	Ms.Mattawan Srisakda	Executive Director

(2) Audit Committee

As at December 31, 2025, the Audit Committee comprised 3 members:

No.	Name	Position	2025	Period
			Total of Meeting	
1.	Mr.Tinakorn Seedasomboon*	Chairman of Audit Committee	4/4	17/4/2023-17/4/2026
2.	Police General Damrongsak Kittiprapas	Audit Committee	4/4	17/4/2023-17/4/2026
3.	Mr.Supoj Kaewmanee	Audit Committee	4/4	8/4/2024-8/4/2027

Remark :

- * Is a person with sufficient knowledge and experience to verify the creditability of the financial statements.
- Mr. Tinakorn Seedasomboon was appointed as the Chairman of the Audit Committee, replacing Gen.Titiwat Kamlang-Ek, since November 7,2025.

Ms. Kanchalika Sangparinya is the secretary to the Nomination and Remuneration Committee.

The scope of duties and responsibilities of the Board of Directors are as follows:

Power into performing work

1. To make consideration in selection, propose for appointment or employment termination of an independent person in order to perform his/her duty as the Auditor of the Company, and to propose his/her remuneration and appointment to the Shareholders Meeting for approval.
2. To make consideration, in case the Management and the Auditor have different opinions on Financial Report. However, it excludes the power to approve adjustment of important accounting policies stated in accounting and financial regulations of the Company which is in the power and the duty of the Board of Directors.
3. To give comments in making consideration of appointment, transferring, termination, and feats of internal auditing work unit chiefs.
4. To approve the charter of internal auditing work units.
5. To consider approval of the annual budget, manpower, and necessary resources for performing work of the internal auditing unit.
6. To approve the annual auditing plan, as well as make consideration for approval of revision/ adjustment for change of work planning in the part of implicitly significant.
7. To access every level of information of the Company, including invitations made to executives, employees, or related persons to the meeting and give information concerned under work performance within the scope of the power and the duty assigned by the Board of Directors.
8. To consult the expert or the consultant of the Company (if any), or hire the consultant, or the expert outside in necessary case at the expense of the Company.

Duty

1. To check up for the Company to have the correct financial report with enough revelation.
2. To promote for having development system of financial reports to be on par with international accounting standard.
3. To check up the effectiveness of information technology that relates to financial report and internal control.
4. To check up of the efficiency and effectiveness of good corporate governance process, risk management process and internal control process.
5. To make consideration of the report from the Risk Management Sub-Committee and discuss with Management on assessment of policy, and risk management.
6. To make consideration of the assessment result of the internal control system of the Company to ensure to the Board of Directors that activities have sufficient internal control and in accordance with a good corporate Governance process.
7. To check performance to be in accordance with recommendations in the assessment report of the internal control system received from the Internal Auditor, the Accounting Auditor aims for improvement and rectification of the weak points in the working process to have the most effectiveness.
8. To check up for the Company to comply with the law concerning Security and The Stock Exchange of Thailand, requirements of The Stock Exchange of Thailand, and laws related to the business of the Company.
9. To make consideration of things to be in accordance with involving laws, in case there are related items or items that may have a conflict of interest, they are required to be in accordance with the law and the requirement of The Stock Exchange of Thailand, in order to ensure that such items are reasonable and to the maximum benefit of the Company.
10. To check up anti-corruption process of the Company.
11. To check up internal process of receiving and supervising clue notifications, receiving of complaints.

12. To attend the meeting with the Accounting Auditor for acknowledgment of quarterly Financial Reports, and/or the inspection result of yearly Financial Reports, and discuss problems/obstacles that may be found in the work performance of the Accounting Auditor, by holding the meeting with the Accounting Auditor without participation of the Management at least once a year. And assess the efficiency and the effectiveness of performance results, and to make consideration of the independence of the accounting Auditor.
13. To check up the internal auditing process to be suitable and effective
 - To ensure the independence of the internal auditing unit by prescribing the Audit Committee to have a chain of command directly to the internal auditing work unit.
 - To supervise the internal auditing work unit to perform works by yearly inspection plan that has been approved and to perform by international standards of internal audit profession practice.
14. The Audit Committee shall be the one who reports the work result of The Audit Committee to the Board of Directors Meeting for acknowledgement and/or for consideration periodically.
15. To prepare a report of the Audit Committee for revealing in the annual report of the Company. Such report must be signed by the Chairman of the Audit Committee, which must be composed of :
 - Comment on the correctness, and completeness of making the Financial Report of the Company reliable.
 - Comment on the sufficiency of the Internal Control System of the Company.
 - Comment on performing in accordance with the law concerning Security and Stock Exchange of Thailand, or laws in relation to the business of the Company.
 - Comment on the suitability of the Accounting Auditor.
 - Comment about items that may have a conflict of interest.
 - Number of meetings of the Audit Committee and participation of each audit committee member.
 - Comment or observation as a whole that the Audit Committee receives from performing the duty pursuant to the Charter.
 - Other particulars deemed that shareholders and investors should know under the scope of duty and responsibility assigned by Board of Directors of the Company.
16. Review and provide opinions on the adequacy assessment of the internal control system from the management's evaluation.
17. In the performance of the Audit Committee's duties, if there are doubts about any items or actions that may be significant to the financial position and operational results of the company, the Audit Committee shall report to the Board of Directors for corrective action within the time deemed appropriate by the Audit Committee:
 - (1) Items that involve conflicts of interest.
 - (2) Fraud or significant irregularities or deficiencies in the internal control system.
 - (3) Violations of laws related to the company's business. If the Board of Directors or management fails to implement corrective actions within the time set by the Audit Committee, any member of the Audit Committee may report any such items or actions to the Office of the Securities and Exchange Commission (SEC) or the Stock Exchange of Thailand.
18. Provide opinions differing from those of the Board of Directors regarding agreements on acquiring or disposing of assets as prescribed by the Stock Exchange.
19. Undertake other duties assigned by the Board of Directors with the approval of the Audit Committee, and such orders must be in writing.
20. Assess the performance of the Audit Committee annually (Self-Assessment) to summarize the results of self-evaluation and submit them to the Board of Directors for consideration in evaluating the annual performance of the Audit Committee.
21. Review the oversight process of the complaints handling by the management.

22. Approve the experience of the person assigned responsibility in the accounting and finance department, which is directly beneficial to the company's operations, and in case the company conducts training courses for continuing professional education in accounting, demonstrate that the content and number of training hours have been reviewed by the Audit Committee to comply with the requirements set by the office.
23. Approve the experience of the person directly responsible for overseeing accounting practices, which is directly beneficial to the company's operations, and in case the company conducts training courses for continuing professional education in accounting, demonstrate that the content and number of training hours have been reviewed by the Audit Committee to comply with the requirements set by the office.

(3) Nomination and Remuneration Committee

The Nomination and Remuneration Committee which consists of 3 company committee .

No.	Name	Position	2025	Period
			Total of Meeting	
1.	Police General Damrongsak Kittiprapas	Chairman of Nomination and Remuneration Committee	1/1	17/4/2023-17/4/2026
2.	Mr.Tinakorn Seedasomboon	Nomination and Remuneration Committee	1/1	17/4/2023-17/4/2026
3.	Mr.Supoj Kaewmanee	Nomination and Remuneration Committee	1/1	8/4/2024-7/4/2027

Ms.Kanchalika Sangparinya is the secretary to the Nomination and Remuneration Committee.

The duties and responsibilities can be summarized as follows:

- 1) To consider and review the qualification of persons to hold the position of Directors in Board of Directors of the company and of its subsidiaries. A director must have a variety of qualification, namely skill, experience, and specialization which will be beneficial to the company.
- 2) To seek new Directors for the company and its subsidiaries to replace Directors of the company and its subsidiaries who complete their office term, or in the other cases that make the positions of Directors of the company and its subsidiaries become vacant.
- 3) To review the independence of Directors of the company and its subsidiaries, including conflict of interest that may occur from performing duties of Directors.
- 4) To consider the plan of position succeeding, and seek executives to hold the highest superior ranks whatever names of the ranks may be called, such as managing director, CEO, etc. of the company and its subsidiaries for submission to Board of Directors of the company for consideration of approval.
- 5) To propose the guideline and method for payment of remuneration to Board of Directors and its subsidiaries, including Sub-Committee appointed by Board of Directors.
- 6) To prescribe the policy for consideration of remuneration and evaluation criterion of work performance result of executives who are the highest superiors of the company and its subsidiaries, as well as consideration of salary adjustment and prescribing annual bonus amounts, based on business operation and result of work performance, in order to propose to Board of Directors of the company for approval.

- 7) To evaluate work performance of executives, who are in the highest positions of the company and its subsidiaries in order to adjust their remuneration yearly, before submitting to Board of Directors of the company for approval.
- 8) To regularly consider remuneration of Board of Directors of the company and of its subsidiaries, Sub-Committee, and executives who are the highest superiors of the company and its subsidiaries, by comparing to the other companies that operate the same business nature, in order to create the incentive to work management.
- 9) To set up standard of work performance evaluation as a whole, both in the organization of the company and subsidiaries, and to consider salary adjustment and fix amounts of annual bonus to employees in the whole organization (except executives who are the highest superiors) of the company and its subsidiaries, on the basis of business operation and work performance result and submit to Board of Directors for approval.
- 10) To report the progress and work performance results to the Board of Directors every time after the meeting of the NRC.
- 11) To evaluate the result of the duty performance of the NRC and report the evaluation result to the Board of Directors for acknowledgment.
- 12) To perform other duties assigned by the Board of Directors.

(4) **Risk Management Committee**

The Risk Management Committee consists of 5 company committees.

No.	Name	Position	2025 Meeting	Period
1.	Police General Damrongsak Kittiprapas	Police General Damrongsak Kittiprapas	-	17/4/2023-17/4/2026
2.	Mr.Tinakorn Seedasomboon	Risk Management Committee	1/1	17/4/2023-17/4/2026
3.	Mr.Supoj Kaewmanee	Risk Management Committee	1/1	8/4/2024-8/4/2027
4.	Ms.Wanna Pholkeaw	Risk Management Committee	1/1	10/4/2025-10/4/2028
5.	Mr.Phairat Viwatborvornwong	Risk Management Committee	1/1	10/4/2025-10/4/2028

Ms. Pornsiri Sukchai is the secretary to the Risk Management Committee.

The scope of duties and responsibilities is as follows:

1. Determine and review the risk management framework, risk management charter, policies, and processes, as well as recommending various risk management approaches, including operational risks, strategic and business operation risks, investment risks, financial risks, personnel risks, and data security and cybersecurity risks, among others, that relate to the business operations of the company appropriately and efficiently in line with the strategic direction of operations, business plans, and changing circumstances.
2. Support and develop risk management at all levels across the organization, continuously and effectively, including promoting the development of a risk management culture within the organization.
3. Oversee, monitor, and review the significant risk management plans and reports, and provide recommendations to ensure that risk management is executed effectively and appropriately at an acceptable level, in accordance with risk management policies.
4. Report significant risk management results to the Board of Directors. In the case of significant factors or events that may have a substantial impact on the company, such matters must be reported to the Board of Directors for prompt consideration.
5. Ensure regular evaluation of the performance of the Risk Management Committee and report the evaluation results to the Board of Directors at the end of each year.
6. Continuously monitor the development of risk management approaches and frameworks to ensure the company has an effective risk management system and that it is consistently adhered to.
7. Review the risk management reports to monitor material risks and take action to ensure that the company has adequate and appropriate risk management.
8. Coordinate with the Audit Committee regarding significant risks and ensure that the internal audit department reviews to guarantee that the company has appropriate internal control systems for risk management, along with appropriately implementing and adhering to the risk management system.
9. Carry out any other tasks related to risk management as assigned by the Board of Directors.

7.4 Information of Executives

7.4.1 The Management

As of 31 December 2025, the management consisted 6 Executives of The Company as follows :

No.	Name	Position
1.	Dr.Naiyuan Chi	Senior Advisor
2.	Ms.Wanna Pholkaew	Managing Director
3.	Mr.Yoshiyasu Kagehiro	Deputy Managing Director of Japanese Foreign Co-ordination
4.	Mr.Phairat Viwatborvornwong	Deputy Managing Director of Estimate and Planning
5.	Mr.Pornchai Phisarnanukunkit	Deputy Managing Director of Factory & Production
6.	Ms.Mattawan Srisakda	Deputy Managing Director of Accounting and Financial

7.4.2 Remuneration Policy of Directors and Executives

The Company has a remuneration policy for directors, executive directors, and executives by considering from suitability, duties and responsibilities, and performance of the Company that compares with the remuneration from public companies in the stock exchange that conduct the business or have the revenue in similar manner. The remuneration for the Board of Directors will be presented to the shareholders for approval in the Annual General Meeting. The director remuneration will be in a form of salary and annual meeting allowance. In the part of remuneration for executives and executive directors, the Company has appointed the Nomination and Remuneration Committee, consisting of external independent director since the year 2018, to consider the remuneration in this part. The remuneration will be paid in the form of salary, annual gratuity, and provident fund contribution.

7.4.3 Remuneration of Directors and Executives

Monetary Remuneration

- Director

In 2024-2025, remuneration was paid to the directors of the Company and Sub-Committee, in the form of meeting allowance and directors' reward for the number of attendance

Name	Position	Remuneration (Baht)	
		2024	2025
1. Dr.Naiyuan Chi	Chairman of Board Director	432,500	985,000
2. Police General Damrongsak Kittiprapas	Vice Chairman and Independent Director (3)	-	865,000
3.Mr.Phairat Viwatborvornwong	Director	405,000	900,000
4. Mr.Pornchai Phisarnanukunkit	Director	405,000	915,000
5. Gen.Titiwat Kamlang-Ek	Independent Director and Chairman of Audit Committee (1)	465,000	842,000
6. Mr.Tinakorn Seedasomboon	Independent Director and Chairman of Audit Committee and Nomination and Remuneration Committee (2)	465,000	978,000
7. Mr.Supoj Kaewmanee	Independent Director and Audit Committee and Nomination and Remuneration Committee	450,000	975,000
8. Ms.Wanna Pholkaew	Director	405,000	915,000
9. Mr.Hideo Iwaki	Director	315,000	697,434

Remark :

1. Gen.Titiwat Kamlang-Ek has resigned from Independent Director and Chairman of Audit Committee since October 31,2025.

2.Mr. Tinakorn Seedasomboon was appointed as the Chairman of the Audit Committee, replacing Gen.Titiwat Kamlang-Ek since November 7,2025.

3.Police General Damrongsak Kittiprapas was appointed as Vice Chairman and Independent Director since January 15,2025.

For Director, The company does not pay any remuneration except health insurance

Details of the directors' remuneration in the subsidiary for the year 2025

Name	Position	Remuneration (Baht)	
		M.C.S- JAPAN	M.C.S. Steel Xiamen
1. Dr.Naiyuan Chi	Chairman of Board Director	264,033	501,615
2. Ms.Wanna Pholkaew	Director	264,033	-
3. Mr.Yoshiyasu Kagehiro	Director	264,033	-
4. Ms.Kanchalika Sangparinya	Director	264,033	-

- Executives

Remuneration	Year			
	2024		2025	
	Number of Executive	Total (Baht)	Number of Executive	Total (Baht)
Salary and Bonus	5	47,088,866	6	29,395,656
Provident Funds + Others	5	4,537,617	6	4,441,452

Remarks : Others including Health Insurance and Car Rental

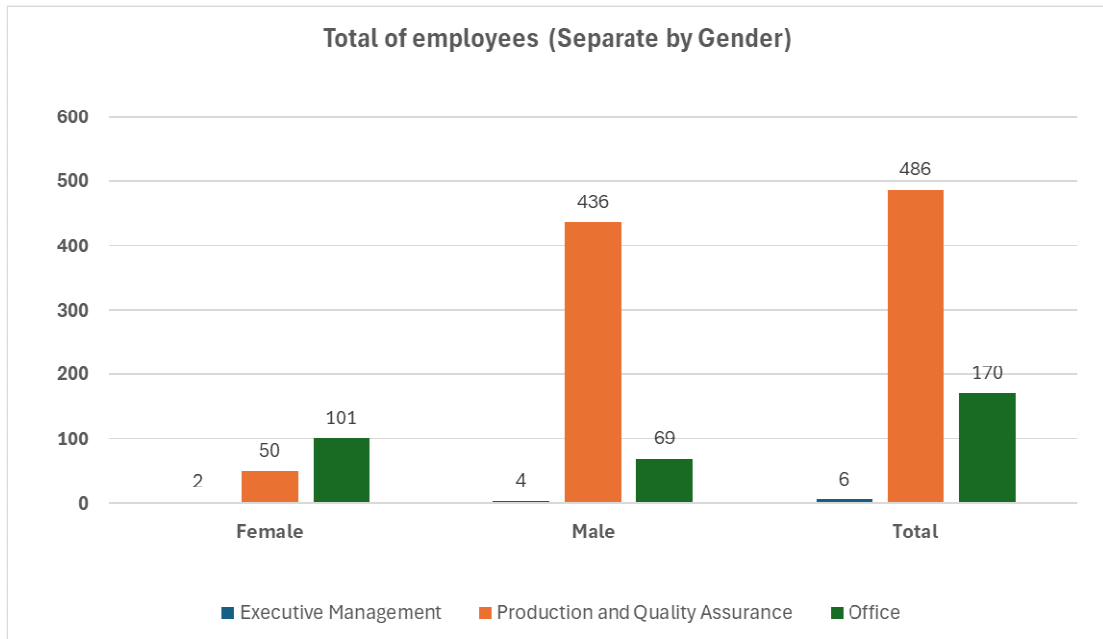
7.5 Employees

➤ At the end of 2025 Total of employees were 662 Person (including Executives)

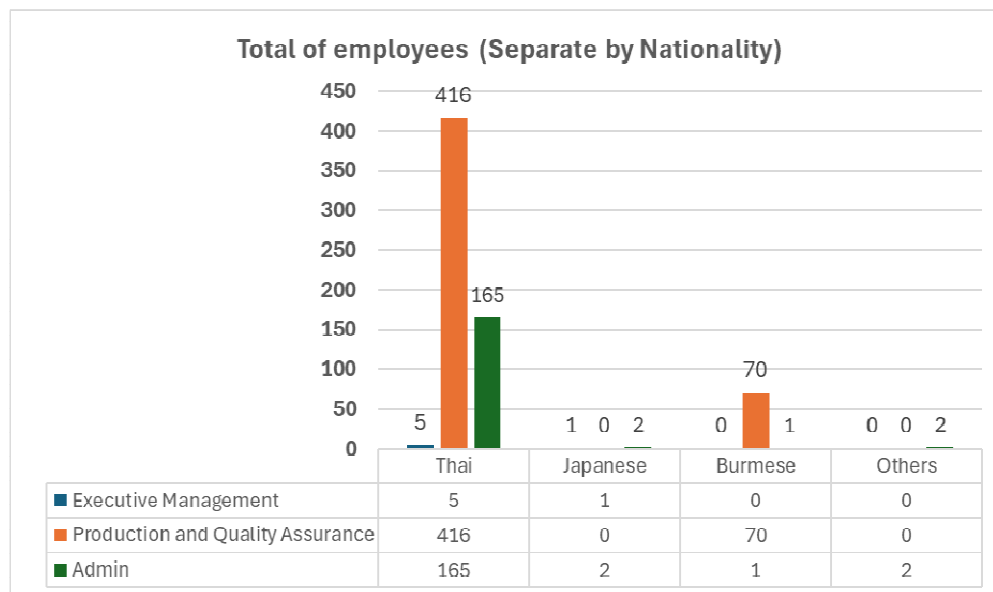
Department	Female	Male	Total
Executive Management	2	4	6
Production and Quality Assurance	50	436	486
Office	101	69	170
Total	153	509	662

Separate by Gender

Department	Thai	Japanese	Burmese	Others	Total
Executive Management	5	1	-	-	6
Production and Quality Assurance	416	-	70	-	486
Admin	165	2	1	2	170
Total	586	3	71	2	662



Separate by Nationality



Remuneration of Employers (Exclude the Executive Management 6 Person)

Remuneration	Year 2025 (Million Baht) exclude Executives
Salary + Bonus	338,858,180
Provident Fund	6,636,738

As of December 31, 2025, there were 525 employees out of 656 (excluding executives) who became members of the provident fund. Currently, the company utilizes the provident fund of the TMB M Choice Provident Fund.

Human resource development policy

The company is committed to the development of the company's personnel to develop potential in terms of knowledge, ability, and skills in working. The company continuously supports the education of employees. Our main policy is that all employees must be trained to enhance their knowledge on an annual basis, which is consistent with the Company's motto - "Better than yesterday, everyday". In 2025, The employees took more training courses, which is the total budget was Baht 6.03 million.

7.6 Other Important Information

7.6.1 List of persons who were assigned to be responsible as follows

➤ **Company Secretary**

Now, the company secretary is Ms.Kanchalika Sangparinya.

Roles and Responsibilities

- 1) Responsible for arranging meetings of the Board of Directors and shareholders' meetings including helping to ensure compliance with such resolutions
- 2) Supervise and advise the Board of Directors regarding various rules and regulations
- 3) Preparing and keeping a register of directors, Invitation of the Board of Directors, Board meeting minutes, Company's annual report, Invitation of the Annual General Meeting of Shareholders, and the minutes of the shareholders' meeting

4) Other duties according to the Securities and Exchange Act (No. 4) B.E. 2551

Contact as :

Telephone : 089-9001217-8 Ext.113/148

E-mail : kancharica@mcssteel.co.th

Profile of company secretary is presented in Attachment 1

➤ **The person supervising accounting**

The Company appointed **Miss Titinan Punlaising** to be the person supervising accounting and profile of supervising accounting is presented in Attachment 1

➤ **The Head of Internal Audit**

The Company appointed **Miss Pornsiri Sukchai** to be the head of the Internal Audit, review and evaluate the internal control system, and plan the internal audit plan by reporting directly to the audit committee. Miss Pornsiri Sukchai profile is presented in Attachment 3

7.6.2 List of Investor Relations and Contacts

The company board of directors attaches utmost importance to the disclosure of accurate, complete, and transparent data to every investor. The company still attaches importance to the disclosure and provision of data to the share shareholders and general investors in accordance with the standards and criteria determined by the Securities Exchange Commission and the Stock Exchange of Thailand both by the data distribution channels and media of the Stock Exchange of Thailand and the company website (www.mcssteel.com) or provides an opportunity for investors or shareholders who wish to inquire about the company in many ways, as follows :

Head of Investor Relation : Ms.Kanchalika Sangparinya

Contact to 089-9001217-8 Ext. 113 /148

E-mail : mcs.ir@mcssteel.co.th

7.6.3 Remuneration of The Auditor

1) Audit fee

The Company and its subsidiaries paid audit remuneration in 2024-2025 as follows ;

No.	Company	Auditor Name	Audit Fees (Baht)	
			2024	2025
1.	M.C.S. Steel Public Co., Ltd.	PKF Audit (Thailand) Co., Ltd.	3,730,000	3,730,000
2.	Tanaka Welding Center Co., Ltd.	PKF Audit (Thailand) Co., Ltd.	40,000	40,000
3.	M.C.S. - Japan Co., Ltd.	Local Auditor Japan	556,775	556,936
4.	M.C.S. Steel – Xiamen Co., Ltd.	Local Auditor China	373,600	369,242

- 2025 The company and Tanaka 's auditor was PKF Audit (Thailand) Co., Ltd.

2) Non-audit fee (Allowance)

- 133,441 Baht

8. Significant Corporate Governance Operational Report

8.1 Summary of Performance of Duties of the Board of Directors in the Past Year

In 2025 (B.E. 2568), the Company's Board of Directors performed the following:

1. On 10 April 2025, all nine directors attended the 2025 Annual General Meeting of Shareholders to present the Company's operating results for 2024 (B.E. 2567) to the shareholders.
2. In 2025, the Company and its subsidiaries recorded a net profit of THB 960.01 million, an increase of THB 281.41 million compared with 2024 (B.E. 2567).

8.1.1 Nomination, Development, and Performance Evaluation of the Board

The Company has determined the rules for the nomination of directors, independent directors, and chief executives as follows:

- (1) **Independent Directors** have been appointed from the directors or the Shareholders' Meeting. The Company has defined the Independent Director of the Company with the minimum requirements of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand as follows:
 1. Holds shares not exceeding 1% of the total shares with voting right of the applicant, its parent company, subsidiaries, associates, major shareholders, and controlling parties of the applicant, provided that the shares held by the related parties of such independent director shall be included.
 2. Is not or has never been an executive director, employee, staff, advisor who receives salary, nor controlling parties of the applicant, its parent company, subsidiaries, associates, same-level subsidiaries, major shareholders, or controlling parties of the applicant unless the foregoing status ended at least 2 years prior to the date of submitting the application to the Securities and Exchange Commission (SEC), provided that such prohibition shall not include the case that such independent director has ever been official or advisor of the government sector that is the major shareholder or controlling party of the applicant.
 3. Is not the person who has relationship by means of descent or legal registration under the status of father, mother, spouse, brothers and sisters, and children. The prohibitive persons also include spouses of daughters and sons of management, major shareholders, controlling party or the person who is in the process of nomination to be the management or controlling party of the applicant or its subsidiary.
 4. Have no or never had business relationship with the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the applicant in respect of holding the power which may cause the obstacle of the independent decision, including not being or never been the significant shareholder, or controlling parties of any person having business relationship with the applicant, its parent company, subsidiaries, associates, major

shareholders, or controlling parties of the applicant unless the foregoing status ended at least 2 years prior to the date of submitting the application to the SEC.

5. Is not or has never been the auditor of the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties of applicant, and is not the significant shareholder, controlling parties, or partner of the auditing firm which employs such auditor of the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the applicant unless the foregoing status ended at least 2 years prior to the date of submitting the application to the SEC.
6. Is not or has never been the professional service provider, including but not limited to legal service or financial advisor with received service fee more than 2 million baht per year from the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties, and is not the significant shareholder, controlling parties, or partner of the above mentioned service firms unless the foregoing status ended at least 2 years prior to the date of submitting the application to the SEC.
7. Is not the director who is nominated to be the representative of directors of the applicant, major shareholders, or any other shareholder related to the major shareholders.
8. Do not operate the same and competitive business with the business of the applicant, or its subsidiaries, or is not a significant partner of the partnership, or is not an executive director, employee, staff, advisor who receives salary, nor holds shares for more than 1% of the total shares with voting right of any other company which operates same and competitive business with the business of the applicant, or its subsidiaries.
9. Is not any otherwise which is unable to have an independent opinion regarding the business operation of the applicant. After being appointed as the independent director in accordance with the conditions under article (1) - (9), such independent director may be assigned by the board of directors to decide in respect of collective decision on the business operation of the applicant, its parent company, subsidiaries, associates, same-level subsidiaries, major shareholders, or controlling parties of the applicant.

(2) **Directors** have been appointed from the directors or the Shareholders' Meeting. The appointment of the Company Director will be following the rules as specified in the company regulations as follows:

1. The Company Director consists of no less than 5 directors by which the directors of no less than half of all directors must have a residence in the kingdom.
2. The Shareholders' Meeting must elect the directors according to the rules and methods as follows:
 - 2.1 One shareholder has the vote of one (1) share per one (1) vote.
 - 2.2 Each shareholder will use all existing votes according to Item 2.1 to elect a single or multiple persons as directors, but the votes cannot be shared to any person in any number.

- 2.3 The persons who receive the top scores in descending order will be those who are elected to be the directors in the number of directors that should have or should be elected at that time. In case the elected persons in the descending orders receive the equivalent scores in the number that exceeds the number of directors that should have or should be elected at that time, the Chairman of the Meeting will have a casting vote.
3. In each Annual General Meeting, the directors must vacate the office in the number of one in three (1/3) of all directors during that time. If the number of directors cannot be divided into three parts, they must be vacated in the number that is nearest to one in three (1/3). The directors who are retired by rotation might be elected to hold the position again. The directors must be mutually agreed with the ordering of vacating the office of directors according to the method in the above paragraph. The directors who must vacate the office in the first year and the second year after the registration of the company must draw lots. For the following years, the director who holds the position for the longest period of time will vacate the office.
 4. Any director who will vacate the office must file the resignation letter to the Company by which the resignation will be effective when the resignation letter reaches the Company.
 5. In case the position of director is vacant but not by rotation, the Board of Directors must select a person with suitable qualifications to be the director in the meeting of the Board of Directors unless the remaining terms of director is less than 2 months and the substitute person will hold the position of director only for the remaining term of the director that has been replaced.
 6. The Shareholders' Meeting might resolve for any director to vacate the office before retiring by rotation with the votes of no less than three in four (3/4) of number of shareholders who attend the meeting and have the right to vote with the total shares of no less than half of number of shares held by shareholders who attend the meeting and have the right to vote.

- (3) **Executives** have been selected from the Nomination and Remuneration Committee by selecting a person with knowledge, abilities, experiences, and direct skills that match with the business of the Company and appointing by the Board of Directors or the person that the Board of Directors has assigned to have the appointing authority.

Development of Directors and Executives

The Company has the policy to encourage the Directors and Executives to participate in the training courses that will benefit the position holding by which the training courses to attend will depend on the request of the Board of Directors or Executives who see that the training courses are interesting and will benefit the business operation of the Company. For the basic training course that the Directors must receive from the Thai Institutes of Directors, the Company has arranged for all Directors to participate in the training as specified.

8.1.2 Meeting Attendance and Individual Director Compensation Payment

In the year 2025, the meeting attendance of the Board of Directors was shown in Item 7.2.1. Also, the information on individual director compensation payment was shown in Item 7.4.3 Financial Compensation of Directors and Executives.

8.1.3 Subsidiary Supervision

Operational Supervision of Subsidiary

The Company has the policy to send a representative from the Company to take the position of Director at the subsidiary in case of suitability. Currently, the subsidiary of the Company has the representative or the Director that the Company has sent to take the position of Director in which the Company will be informed about the operations in the subsidiary at all times. All subsidiaries are adhering to the administration policy, which is following the Company policy at most.

8.1.4 Monitoring for Compliance with the Policy and Practices in Corporate Governance

(1) Prevention of Conflict of Interest

The Board of Directors has determined the policy on the making of cross-transactions and the transactions that might cause a conflict of interest. The transactions must be proposed via the review by the Audit Committee and must be proposed for approval by the Board of Directors before making the transactions at all times.

(2) Use of Internal Information for Exploitation

The Company has determined the rules for the prevention of the use of internal information of the Directors and the Chief Executives as follows:

- Determine the security for data retention by the Information Technology Department to limit the access to important information of the Company
- The Board of Directors and the Executives (the first 4 Executives from the Chief Executive Officer to the Accounting Manager) must not disclose the information of the Company or use to seek for the benefits of oneself or acquaintances whether directly or indirectly unless the said information have been disclosed to the public with no stock trading of the Company during 1 month before the disclosure of financial statement. This will include spouse and minor child of the Directors and the Executives.
- Determine for all Directors and Executives, including spouse and minor child, to report the holding of the Company's securities within 3 days to the Securities and Exchange Commission (SEC) and notify to the Company Secretary as information for the making of Annual Data Report.

(3) Anti-Corruption Business

The Company places importance on conducting business with transparency and accountability. It communicates to all employees that they must participate in business operations free from corruption. The Company does not promote bribery or gifts that could influence decisions. A channel for reporting suspicious or irregular conduct that may constitute corruption has been established. Reports can be submitted via the complaint box through the Company's Welfare Committee or the Company Secretary, who will forward them to the Audit Committee, by email to info@mcssteel.co.th or by mail to the Company's registered address.

(4) Whistleblowing

The Company emphasizes transparent and verifiable business practices and encourages executives and all employees to participate in operations free from corruption. The Company prohibits offering bribes, inappropriate gifts to related parties, misuse of information to the detriment of others, and any other corrupt conduct. A whistleblowing channel is available for reporting observed irregularities that may indicate corruption. Reports may be submitted via the complaint box through the Company's Welfare Committee or the Company Secretary, who will forward them to the Audit Committee, by email to info@mcsteel.co.th or by mail to the Company's registered address.

8.2 Audit Committee Report

8.2.1 Attendance of the Committee

Details at 7.3 Sub-committee

8.2.2 Performance of the Audit Committee

The Performance of the Audit Committee is presented in Report of the Audit Committee at attachment 6

8.3 Other Sub -Committee Report

8.3.1 Attendance of the Committee

Details at 7.3 Sub-committee

8.3.2 Performance of other Sub -Committee

- None -

9. Internal Control and Cross-Transaction

9.1 Internal Control

Opinions of the Board of Directors on the Internal Control System

The Company's Board held Meeting No. 1/2569 on 20 February 2569 (02/20/2026). Three members of the Audit Committee attended the meeting and presented their opinion regarding the adequacy and appropriateness of the Company's internal control system, referencing the internal control adequacy assessment form of the Securities and Exchange Commission. They concluded that the Company and its subsidiaries have an appropriate and effective internal control system covering the three key areas: Operations, Reporting, and Compliance with laws and regulations relevant to the Company's business. The Company has also appointed a Risk Management Committee to assess organizational risks and to monitor risk management on an ongoing basis, which supports the view that the Company's risk controls are adequate.

9.1.1 Adequacy and Suitability of Internal Control System

The Company has established an internal audit agency by which the said agency is independent with the direct reporting line to the Audit Committee in terms of internal auditing and to the Chief Executive Committee in terms of agency management. The internal audit agency has the duty to assess the efficiency and effectiveness of the internal control system, risk management, and corporate governance and to act as an advisor in order to support the Company to achieve its objectives and business goals. The annual internal audit plan of the agency has received approval from the Audit Committee by using Risk Based Audit Approach and the Key Control Points and emphasizing on preventive control, including corruption risk assessment according to the Fraud Whistleblowing Protection Policy. In every quarter, the Internal Audit Department has the duty to present the audit report of the internal control system in the annual plan of the Meeting of Audit Committee. Hence, in the year 2025, the Internal Audit Department had no limitation on giving opinions and no issue with audit results that could convince that the internal control system obtained risks and faults that might cause significant damage to the organization.

9.1.2 Faults Concerning Internal Control System of the Company and Subsidiary

The Company has arranged the audit of the internal control system to cover all activities in the Company, which is in accordance with the internal audit plan of both long-term and short-term that the Head of Internal Audit will present to the Audit Committee for consideration and approval annually. If the Audit Committee has seen that risks that need to be audited and monitored urgently in any system of the Company, the Audit Committee will notify the Internal Audit Department to proceed with the audit instantly. Currently, there is no fault that needs to be urgently audited and monitored.

9.1.3 Opinions of the Audit Committee

The Audit Committee had opinions that were consistent to the Company's Board of Directors that the internal control system of the Company is adequate and suitable.

9.1.4 Opinions of the Audit Committee on the Incumbent Head of Internal Audit Department

The Audit Committee had the duty to supervise the internal audit by appointing the Head of Internal Audit with proper qualifications to audit and assess the internal control system for its adequacy, suitability, and effectiveness. The Internal Audit Department has the duty to report to the Audit Committee every quarter. Currently, it has assigned **Miss Pornsiri Sukchai** to be the main responsible person for the internal audit of the Company by the Audit Committee has seen that **Miss Pornsiri Sukchai** has proper and adequate qualifications for the performance of duty as well as has good knowledge and understanding on the working system of the Company and passing the training course that is relevant with the internal audit.

9.15 Practical Guidelines for Appointment, Removal, and Transfer of the Head of Internal Audit Department

The Audit Committee has the authority and duty to supervise, consider, and approve the appointment, removal, and transfer of the Head of the Internal Audit Department, including encouraging and supporting the training of knowledge that is relevant to the internal audit work.

9.2 Cross-Transaction

9.2.1 Information on Cross-Transaction with Persons that Might Have Conflict / 9.2.2 Necessity and Reasonability of Transaction

For the year ended 31 December 2025 as follows:

Unit : Thousand Baht

Name of Company/Person with Mutual Benefit	Category	Types of Transaction	Transaction Value Year 2025	Necessity/ Reasonability
M.C.S.- JAPAN Co., Ltd.		Subsidiary that the Company holds the share of 98%		
	Expense	- The Company receives the service from M.C.S.-JAPAN Co., Ltd. and the manufacturing and workpiece modification service in Japan	101,789	Normal service transaction
	Gain on sale of assets	- The Company sold assets (machinery) to M.C.S.- JAPAN Co., Ltd.	3,176	Normal service transaction
M.C.S. Steel-Xiamen Co., Ltd.		Subsidiary that the Company holds the share of 74%		
	Expense	- The Company pays the wage for manufacturing of workpieces and the wage for drawing.	1,034,615	Normal service transaction

9.2.3 Policies or Trends of Cross-Transaction in the Future

Since the Company and its subsidiary need to have cross-transaction in the future for the services that are relevant to the manufacturing and the modification of workpieces in Japan or China, the said transaction is to support the business of the Company in Thailand with the determination of service fee according to the reasonable market price. The Audit Committee reviews the said transaction every quarter and presents it to the Meeting of the Board of Directors to request approval according to the rules of the making of transactions.

The loan giving between the Company and its subsidiary has been proceeded as see appropriate to support the business in the company group. Also, the minimum remuneration is determined according to the interest rate of a fixed deposit account of a commercial bank. On the part of the related person, the Company and its subsidiary have no policy to provide financial support to related persons.

Portion 3

Financial statements

Report on the Board's Responsibility for Financial Statements

To: Shareholders of M.C.S. Steel Public Company Limited

The Board of Directors of M.C.S. Steel Public Company Limited is responsible for the financial statements of the company and its subsidiaries, which have been prepared to ensure that they present the financial position, revenue, expenses, and cash flows fairly and reasonably. The Board has ensured that accurate and complete accounting records are maintained to safeguard assets, as well as to prevent fraud and irregularities. In preparing the financial statements, suitable accounting policies have been selected and consistently applied in accordance with financial reporting standards. Additionally, adequate disclosure of significant information has been provided in the notes to the financial statements, which have been audited by external auditors.

The Board of Directors has appointed an Audit Committee consisting of independent directors to review the financial statements and assess the adequacy of the internal control system. The opinions of the Audit Committee are reflected in the Audit Committee's report, which is included in the annual information disclosure form (Form 56-1 One Report).

The Board of Directors believes that the overall internal control system of the company is at a satisfactory level, providing reasonable assurance regarding the reliability of the financial statements of the company and its subsidiaries as of December 31, 2025. The company's auditors have conducted their audit in accordance with generally accepted auditing standards and have expressed the opinion that the financial statements present the financial position and results of operations fairly in all material respects in accordance with generally accepted accounting principles.

On behalf of the Board of Directors,



Dr. Naiyuan Chi
Chairman
M.C.S. Steel Public Company Limited
February 27, 2026

**M.C.S. Steel Public Company Limited
and its subsidiaries**

Financial statements for the year ended
31 December 2025

and

Independent Auditor's Report



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Independent Auditor's Report

To the Shareholders of M.C.S. Steel Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of M.C.S. Steel Public Company Limited and its subsidiaries (the "Group") and of M.C.S. Steel Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2025, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statement, including material accounting policies information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2025 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards ("TFRSs").

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing ("TSAs"). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of my report. I am independent of the Group and the Company in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that is relevant to my audit of the consolidated and separate 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 Matter

Key audit matter is that matter that, in my professional judgment, was of most significance in my audit of the consolidated and separate financial statements of the current period. This matter was addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on this matter.

Adequacy of provision for product warranty	
Refer to notes 16 to the consolidated and separate financial statements	
The key audit matter	How the matter was addressed in the audit
The Company has warranted the quality of the products by compensating the customers for the damage arising from normal usage due to the quality of the products. The product warranty period is 2 years counting from the completion date of the construction projects in which the products were installed. Therefore, a provision of product warranty was recognized. The determination of the provision involves estimates of the probability and amount of damage under warranty through the use of management’s judgement. Therefore, I consider this matter to be a key audit matter.	My audit procedures included, among others: <ul style="list-style-type: none"> • Inquiring management to gain understanding on the process and method for estimation; • Testing the reliability of actual claims with warranties data including testing on sampling basis of relevant documents; • Considering the appropriateness of assumptions used for estimation of expected damage from warranty by comparing with historical actual claims data; • Testing the calculation of provision for product warranty by considering the value of the products in the warranty period, total actual warranty expense and average number of years being claimed; and • Considering the adequacy of the Company’s disclosures in accordance with the related Thai Financial Reporting Standards.

Other Information

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

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



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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the correction be made.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. I am responsible for the direction, supervision and review of the audit work performed for purposes 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. And where applicable, actions taken to eliminate threats or safeguards applied.

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

A handwritten signature in blue ink, appearing to read "B. Tangpakorn", with a checkmark-like flourish at the end.

(Banthit Tangpakorn)
Certified Public Accountant
Registration No. 8509

PKF Audit (Thailand) Ltd.
Bangkok
20 February 2026

M.C.S. Steel Public Company Limited and its subsidiaries

Statement of financial position

Assets	Note	Consolidated financial statements		Separate financial statements	
		31 December 2025	31 December 2024	31 December 2025	31 December 2024
		<i>(in Baht)</i>			
Current assets					
Cash and cash equivalents	5, 27	537,834,405	145,727,783	446,794,893	88,699,914
Trade and other current receivables	4, 6	1,270,192,250	1,647,289,007	1,441,581,248	1,831,895,967
Current portion of long-term loans to employees	8	4,244,856	5,904,654	4,244,856	5,904,654
Inventories	7	2,346,452,796	2,728,578,091	2,030,116,234	2,383,128,345
Total current assets		4,158,724,307	4,527,499,535	3,922,737,231	4,309,628,880
Non-current assets					
Restricted bank deposits	27	1,157,071	1,165,972	859,065	867,965
Investments in subsidiaries	9	-	-	143,492,392	141,529,763
Long-term loans to employees	8	47,430,371	53,792,622	47,430,371	53,792,622
Property, plant and equipment	11	1,345,965,149	1,204,932,179	977,342,500	808,663,419
Right-of-use assets	12	112,179,804	117,873,123	5,086,950	3,959,485
Other intangible assets		11,565,753	14,003,219	7,632,625	9,174,403
Deferred tax assets	20	-	-	3,260,650	1,936,360
Contract cost assets	18	78,042,123	149,593,094	78,042,123	149,593,094
Other non-current assets		5,016,880	1,244,656	4,519,975	795,258
Total non-current assets		1,601,357,151	1,542,604,865	1,267,666,651	1,170,312,369
Total assets		5,760,081,458	6,070,104,400	5,190,403,882	5,479,941,249

M.C.S. Steel Public Company Limited and its subsidiaries

Statement of financial position

Liabilities and Equity	Note	Consolidated financial statements		Separate financial statements	
		31 December 2025	31 December 2024	31 December 2025	31 December 2024
		<i>(in Baht)</i>			
Current liabilities					
Short-term loans from financial institutions	14, 23, 27	54,732,316	222,905,221	-	-
Trade and other current payables	4, 13, 23, 27	1,237,760,563	1,672,475,270	1,442,568,184	2,035,171,265
Current portion of lease liabilities	14, 23	1,775,176	2,064,666	1,605,849	1,949,038
Current portion of long-term loans					
from financial institutions	14, 23, 27	24,623,400	26,265,240	-	-
Income tax payable		7,212,563	10,494,410	-	-
Total current liabilities		1,326,104,018	1,934,204,807	1,444,174,033	2,037,120,303
Non-current liabilities					
Lease liabilities	14, 23	4,602,106	3,102,287	4,104,486	2,713,107
Long-term loans from financial institutions	14, 23	196,987,200	275,289,089	-	-
Deferred tax liabilities	20	22,851,642	27,054,726	-	-
Non-current provisions for employee benefits	15	32,463,128	30,233,520	32,463,128	30,233,520
Provision for product warranty	16	40,492,100	41,034,682	38,339,091	37,972,468
Total non-current liabilities		297,396,176	376,714,304	74,906,705	70,919,095
Total liabilities		1,623,500,194	2,310,919,111	1,519,080,738	2,108,039,398
Equity					
Share capital:					
Authorised share capital					
		<i>(477 million ordinary shares, par value at Baht 1 per share)</i>			
		477,000,000	477,000,000	477,000,000	477,000,000
Issued and paid-up share capital					
		<i>(477 million ordinary shares, par value at Baht 1 per share)</i>			
		477,000,000	477,000,000	477,000,000	477,000,000
Share premium		140,000,000	140,000,000	140,000,000	140,000,000
Retained earning					
Appropriated					
Legal reserve	17	50,000,000	50,000,000	50,000,000	50,000,000
Unappropriated		5,585,164,288	4,982,892,424	5,153,365,750	4,623,592,473
Other components of equity		(2,276,923,181)	(2,029,238,980)	(2,149,042,606)	(1,918,690,622)
Equity attributable to owners of the parent		3,975,241,107	3,620,653,444	3,671,323,144	3,371,901,851
Non-controlling interests	10	161,340,157	138,531,845	-	-
Total equity		4,136,581,264	3,759,185,289	3,671,323,144	3,371,901,851
Total liabilities and equity		5,760,081,458	6,070,104,400	5,190,403,882	5,479,941,249

M.C.S. Steel Public Company Limited and its subsidiaries
Statement of comprehensive income

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended 31 December		For the year ended 31 December	
		2025	2024	2025	2024
<i>(in Baht)</i>					
Revenues					
Revenue from sale of goods and rendering of services	18	5,135,937,537	5,482,311,809	4,987,762,390	5,466,308,890
Contract revenue	18	49,511,729	124,859,557	49,511,729	124,859,557
Other income	4	68,917,054	79,931,849	30,690,959	73,823,310
Total revenues		5,254,366,320	5,687,103,215	5,067,965,078	5,664,991,757
Expenses					
Cost of sale of goods and rendering of services	4, 7, 19	3,506,599,789	3,937,945,222	3,546,244,973	4,126,558,162
Contract costs	7, 19	25,871,888	92,351,151	25,871,888	92,351,151
Distribution costs	19	369,948,667	493,086,100	371,906,696	496,042,235
Administrative expenses	19	270,432,519	324,984,305	193,408,991	255,953,929
Net foreign exchange loss		54,855,173	112,737,336	39,983,697	46,756,271
Total expenses		4,227,708,036	4,961,104,114	4,177,416,245	5,017,661,748
Profit from operating activities		1,026,658,284	725,999,101	890,548,833	647,330,009
Finance costs		18,730,651	21,146,890	4,384,035	13,137,727
Profit before income tax expense		1,007,927,633	704,852,211	886,164,798	634,192,282
Tax (income) expenses	20	24,419,977	14,374,625	(1,346,754)	2,434,047
Profit for the year		983,507,656	690,477,586	887,511,552	631,758,235
Other comprehensive income (expense)					
<i>Items that will be reclassified subsequently to profit or loss</i>					
Exchange differences on translating financial statements		(248,373,406)	(449,515,374)	(230,351,984)	(417,354,667)
Total items that will be reclassified subsequently to profit or loss		(248,373,406)	(449,515,374)	(230,351,984)	(417,354,667)
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Gain on remeasurements of defined benefit plans	15	-	3,886,702	-	3,886,702
Income tax relating to items that will not be reclassified subsequently to profit or loss	20	-	(306,272)	-	(306,272)
Total item that will not be reclassified subsequently to profit or loss		-	3,580,430	-	3,580,430
Other comprehensive income (expense) for the year, net of tax		(248,373,406)	(445,934,944)	(230,351,984)	(413,774,237)
Total comprehensive income (expense) for the year		735,134,250	244,542,642	657,159,568	217,983,998

M.C.S. Steel Public Company Limited and its subsidiaries

Statement of comprehensive income

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended 31 December		For the year ended 31 December	
		2025	2024	2025	2024
		<i>(in Baht)</i>			
Profit attributable to:					
Owners of parent		960,010,139	678,604,267	887,511,552	631,758,235
Non-controlling interest	10	23,497,517	11,873,319	-	-
		983,507,656	690,477,586	887,511,552	631,758,235
Total comprehensive income (expense) attributable to:					
Owners of parent		712,325,938	241,092,049	657,159,568	217,983,998
Non-controlling interest	10	22,808,312	3,450,593	-	-
		735,134,250	244,542,642	657,159,568	217,983,998
Basic earnings per share (in Baht)	21	2.01	1.42	1.86	1.32

M.C.S. Steel Public Company Limited and its subsidiaries

Statement of changes in equity

		Consolidated financial statements										
		Retained earnings			Other components of equity							
		Issued and paid-up	Share premium	Legal reserve	Unappropriated	Exchange differences on translating financial statements	Difference from change in shareholding proportion in subsidiary	Total other components of equity	Equity attributable to owners of the parent	Non-controlling interests	Total equity	
Note	share capital	Share premium	Legal reserve	Unappropriated	statements	subsidiary	of equity	the parent	interests	Total equity		
<i>(in Baht)</i>												
For the year ended 31 December 2024												
	Balance as at 1 January 2024	477,000,000	140,000,000	50,000,000	4,548,726,655	(1,572,896,271)	(15,250,061)	(1,588,146,332)	3,627,580,323	135,081,252	3,762,661,575	
Transactions with owners, recorded directly in equity												
Distributions to owners of the parent												
	Dividends	22	-	-	-	(248,018,928)	-	-	-	(248,018,928)	-	(248,018,928)
	Total transactions with owners, recorded directly in equity		-	-	-	(248,018,928)	-	-	-	(248,018,928)	-	(248,018,928)
Comprehensive income (expense) for the year												
	Profit for the year		-	-	-	678,604,267	-	-	-	678,604,267	11,873,319	690,477,586
	Other comprehensive income (expense) for the year		-	-	-	3,580,430	(441,092,648)	-	(441,092,648)	(437,512,218)	(8,422,726)	(445,934,944)
	Total comprehensive income (expense) for the year		-	-	-	682,184,697	(441,092,648)	-	(441,092,648)	241,092,049	3,450,593	244,542,642
	Balance as at 31 December 2024	477,000,000	140,000,000	50,000,000	4,982,892,424	(2,013,988,919)	(15,250,061)	(2,029,238,980)	3,620,653,444	138,531,845	3,759,185,289	

M.C.S. Steel Public Company Limited and its subsidiaries

Statement of changes in equity

	Consolidated financial statements										
	Retained earnings				Other components of equity						
	Issued and paid-up	Share premium	Legal reserve	Unappropriated	Exchange differences on translating financial statements	Difference from change in shareholding proportion in subsidiary	Total other components of equity	Equity		Non-controlling interests	Total equity
								attributable to owners of the parent			
Note	share capital										
(in Baht)											
For the year ended 31 December 2025											
Balance as at 1 January 2025	477,000,000	140,000,000	50,000,000	4,982,892,424	(2,013,988,919)	(15,250,061)	(2,029,238,980)	3,620,653,444	138,531,845	3,759,185,289	
Transactions with owners, recorded directly in equity											
Distributions to owners of the parent											
Dividends	22	-	-	(357,738,275)	-	-	-	(357,738,275)	-	(357,738,275)	
Total transactions with owners, recorded directly in equity		-	-	(357,738,275)	-	-	-	(357,738,275)	-	(357,738,275)	
Comprehensive income (expense) for the year											
Profit for the year		-	-	960,010,139	-	-	-	960,010,139	23,497,517	983,507,656	
Other comprehensive income (expense) for the year		-	-	-	(247,684,201)	-	(247,684,201)	(247,684,201)	(689,205)	(248,373,406)	
Total comprehensive income (expense) for the year		-	-	960,010,139	(247,684,201)	-	(247,684,201)	712,325,938	22,808,312	735,134,250	
Balance as at 31 December 2025		477,000,000	140,000,000	5,585,164,288	(2,261,673,120)	(15,250,061)	(2,276,923,181)	3,975,241,107	161,340,157	4,136,581,264	

M.C.S. Steel Public Company Limited and its subsidiaries

Statement of changes in equity

	Note	Separate financial statements				Other components	Total equity
		Issued and paid-up share capital	Share premium	Retained earnings		of equity	
				Legal reserve	Unappropriated	Exchange differences on translating financial statements	
<i>(in Baht)</i>							
For the year ended 31 December 2024							
Balance as at 1 January 2024		477,000,000	140,000,000	50,000,000	4,236,272,736	(1,501,335,955)	3,401,936,781
Transactions with owners, recorded directly in equity							
<i>Contributions by and distributions to owners</i>							
Dividends	22	-	-	-	(248,018,928)	-	(248,018,928)
Total contributions by and distributions to owners		-	-	-	(248,018,928)	-	(248,018,928)
Comprehensive income (expense) for the year							
Profit for the year		-	-	-	631,758,235	-	631,758,235
Other comprehensive income (expense) for the year		-	-	-	3,580,430	(417,354,667)	(413,774,237)
Total comprehensive income (expense) for the year		-	-	-	635,338,665	(417,354,667)	217,983,998
Balance as at 31 December 2024		477,000,000	140,000,000	50,000,000	4,623,592,473	(1,918,690,622)	3,371,901,851

M.C.S. Steel Public Company Limited and its subsidiaries

Statement of changes in equity

	Note	Separate financial statements				Other components	Total equity
		Issued and paid-up share capital	Share premium	Retained earnings		of equity	
				Legal reserve	Unappropriated	Exchange differences on translating financial statements	
<i>(in Baht)</i>							
For the year ended 31 December 2025							
Balance as at 1 January 2025		477,000,000	140,000,000	50,000,000	4,623,592,473	(1,918,690,622)	3,371,901,851
Transactions with owners, recorded directly in equity							
<i>Contributions by and distributions to owners</i>							
Dividends	22	-	-	-	(357,738,275)	-	(357,738,275.00)
<i>Total contributions by and distributions to owners</i>		-	-	-	(357,738,275)	-	(357,738,275)
Comprehensive income (expense) for the year							
Profit for the year		-	-	-	887,511,552	-	887,511,552
Other comprehensive income (expense) for the year		-	-	-	-	(230,351,984)	(230,351,984)
Total comprehensive income (expense) for the year		-	-	-	887,511,552	(230,351,984)	657,159,568
Balance as at 31 December 2025		477,000,000	140,000,000	50,000,000	5,153,365,750	(2,149,042,606)	3,671,323,144

M.C.S. Steel Public Company Limited and its subsidiaries

Statement of cash flows

	Consolidated financial statements		Separate financial statements		
	For the year ended 31 December		For the year ended 31 December		
	Note	2025	2024	2025	2024
					<i>(in Baht)</i>
Cash flows from operating activities					
Profit for the year		983,507,656	690,477,586	887,511,552	631,758,235
Adjustments to reconcile profit to net cash provided by (paid from) operating activities:					
Tax (income) expenses		24,419,977	14,374,625	(1,346,754)	2,434,047
Finance costs		18,730,651	21,146,890	4,384,035	13,137,727
Depreciation and amortisation	19	169,026,939	149,872,725	129,763,152	104,655,248
Amortisation of contract cost assets	18	69,104,659	64,551,035	69,104,659	64,551,035
Provision for employee benefits expense	15	3,721,658	3,334,812	3,721,658	3,334,812
Unrealised gain (loss) on exchange rate		10,529,643	(22,503,124)	10,529,643	(22,503,124)
Provision for product warranty	16	25,028,032	23,123,471	25,759,177	26,642,496
Loss from write-off assets		-	10,346,363	-	10,346,363
Reversal of the expected credit loss	4,6	(33,943,024)	-	-	(19,072,211)
Reversal of impairment loss on investments in subsidiaries	9	-	-	(11,393,163)	(1,128,372)
(Gain) loss on disposal of equipment		2,532,744	(810,583)	(854,247)	(3,395,545)
Interest income		(1,305,145)	(1,174,719)	(1,219,680)	(5,071,816)
Profit from operating activities before changes in operating assets and liabilities		1,271,353,790	952,739,081	1,115,960,032	805,688,895
Operating assets (increase) decrease					
Trade and other current receivables		422,157,659	(580,129,440)	403,446,713	(352,533,120)
Inventories		382,125,295	(341,694,702)	353,012,111	(458,427,057)
Other non-current assets		(3,799,855)	(736,596)	(3,724,717)	(760,483)
Operating liabilities increase (decrease)					
Trade and other current payables		(475,368,510)	378,327,592	(633,256,885)	326,818,513
Exchange rate differences on translating of financial statements		(214,673,788)	(315,663,037)	(182,428,892)	(254,391,756)
Net cash generated from operations		1,381,794,591	92,842,898	1,053,008,362	66,394,992
Provisions for employee benefit paid	15	(1,492,050)	(714,329)	(1,492,050)	(714,329)
Provision for warranties paid	16	(23,018,895)	(11,828,453)	(23,018,895)	(11,828,453)
Taxes paid		(33,451,873)	(10,775,265)	(1,642,399)	(3,760,268)
Net cash from operating activities		1,323,831,773	69,524,851	1,026,855,018	50,091,942

M.C.S. Steel Public Company Limited and its subsidiaries

Statement of cash flows

		Consolidated financial statements		Separate financial statements	
		For the year ended 31 December		For the year ended 31 December	
		2025	2024	2025	2024
<i>(in Baht)</i>					
Cash flows from investing activities					
Decrease in loans to employees	8	4,610,239	3,894,269	4,610,239	3,894,269
Proceeds from repayment of loans to related parties	4	-	-	-	368,057,695
Acquisition of plant and equipment	11	(341,577,349)	(218,390,218)	(316,523,407)	(192,167,789)
Proceeds from disposal of equipment		1,052,810	4,829,705	1,334,042	4,829,705
Acquisition of intangible assets		(38,793)	(6,411,873)	(38,793)	(6,411,873)
Interest received		1,302,609	1,172,366	1,220,044	7,158,450
Net cash from (used in) investing activities		(334,650,484)	(214,905,751)	(309,397,875)	185,360,457
Cash flows from financing activities					
Cash receipt from short-term loans from financial institutions		54,732,000	187,092,013	-	-
Repayment of short-term loans from financial institutions		(216,875,550)	(84,786,870)	-	-
Cash receipt from long-term loans from financial institutions		-	301,554,329	-	-
Repayment of long-term loans from financial institutions		(61,111,400)	-	-	-
Payment of lease liabilities		(1,788,337)	(2,044,596)	(1,677,400)	(1,959,155)
Dividend paid	22	(357,738,275)	(248,018,928)	(357,738,275)	(248,018,928)
Finance costs paid		(18,730,651)	(20,629,466)	(4,384,035)	(13,529,042)
Net cash from (used in) financing activities		(601,512,213)	133,166,482	(363,799,710)	(263,507,125)
Net increase (decrease) in cash and cash equivalents, before effect of exchange rate changes		387,669,076	(12,214,418)	353,657,433	(28,054,726)
Effect of exchange rate changes on cash and cash equivalents		4,437,546	4,749,471	4,437,546	4,749,471
Net increase (decrease) in cash and cash equivalents		392,106,622	(7,464,947)	358,094,979	(23,305,255)
Cash and cash equivalents at 1 January		145,727,783	153,192,730	88,699,914	112,005,169
Cash and cash equivalents at 31 December	5	537,834,405	145,727,783	446,794,893	88,699,914
Non-cash transactions					
Other current receivables from sale of equipment		-	-	2,834,116	-
Increase of right-of-use assets from lease liabilities		3,093,177	2,867,049	3,093,177	2,867,049
Payable for purchase of fixed assets		17,030,771	4,948,476	17,030,771	4,948,476
Transfer of loans to employees to property, plant and equipment		3,411,811	-	3,411,811	-

M.C.S. Steel Public Company Limited and its Subsidiaries
Notes to the financial statements
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M.C.S. Steel Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2025

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 20 February 2026.

1 General information

M.C.S. Steel Public Company Limited, the “Company”, is incorporated in Thailand since 1992 and was listed on the Stock Exchange of Thailand in February 2005. The Company’s registered office is at 70 Moo 2, Changyai, Bangsai, Ayutthaya.

The principal activities of the Company and the Group are production and distribution of structural steel products for building construction. Details of the Company’s subsidiaries as at 31 December 2025 are described in notes 9.

2 Basis of preparation of the financial statements

(a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission.

Financial reporting standards that became effective in the current period

The revised financial reporting standards, which are effective for annual accounting periods beginning on or after 1 January 2025 do not have any significant impact on the Group’s financial statements.

Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2026

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2026. 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 Group’s management is currently assessing the impact on the financial statements of these revised financial reporting standards.

(b) Functional and presentation currency

Item included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (“the functional currency”). These financial statements are presented in Thai Baht which is different from the

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functional currency of the Company, which is Japanese Yen. The presentation currency in Thai Baht is in accordance with the regulatory requirements in Thailand. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest thousand unless otherwise stated. Condensed financial statements presented in Japanese Yen, which is the Company's functional currency, are disclosed in Note 26.

(c) Use of judgements, estimates and accounting policies

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Group and the Company's accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

3 Material accounting policies information

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the "Group")

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

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree. In addition, when there is a change in the Group's interest in a subsidiary that do not result in a loss of control, any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received from the acquisition or disposal of the non-controlling interests with no change in control are accounted for as other surpluses/deficits in shareholders' equity.

Business combinations

The Group applies the acquisition method when the Group assess that the acquired set of activities and assets include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. The acquisition date is the date on which control is transferred to the Group, other than business combinations with entities under common control. Expenses in connection with a business combination are recognised as incurred.

Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less net fair value of the identifiable assets

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acquired and liabilities assumed. Any gain on bargain purchase is recognised in profit or loss immediately.

Consideration transferred includes assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, any contingent consideration and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration.

(b) Investments in subsidiaries

Investments in subsidiaries in the separate financial statements are measured at cost less allowance for impairment losses. Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established. If the Company disposes of part of its investment, the deemed cost of the part sold is determined using the weighted average method. Gains and losses on disposal of the investments are recognised in profit or loss.

(c) Foreign currencies

Foreign currency transactions

Transactions in foreign currencies including non-monetary assets and liabilities denominated in foreign currencies are translated to the respective functional currencies of each entity in the Group at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate at the reporting date. Non-monetary assets and liabilities measured at fair value in foreign currencies are translated at the exchange rates at the dates that fair value was determined.

Foreign currency difference are generally recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to functional currency at the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated to functional currency at rates approximating the exchange rates at the dates of the transactions. Foreign exchange differences are recognised in other comprehensive income, except to the extent that the translation difference is allocated to non-controlling interests. Foreign exchange differences are accumulated in the translation reserve until disposal of the investments.

(d) Financial instruments

(1) Classification and measurement

Financial assets and financial liabilities (except trade accounts receivable (see note 3(f))) are initially recognised when the Group becomes a party to the contractual provisions of the instrument, and measured at fair value plus or minus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition.

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI); or fair value through profit or loss (FVTPL).

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Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

On initial recognition, financial liabilities are classified as measured at amortised cost using the effective interest method. Interest expense, foreign exchange gains and losses and any gain or loss on derecognition are recognised in profit or loss.

Financial assets measured at amortised costs are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses, expected credit loss and any gain or loss on derecognition are recognised in profit or loss.

(2) Derecognition and offset

The Group derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

The difference between the carrying amount extinguished and the consideration received or paid is recognised in profit or loss.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and the Group intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(3) Impairment of financial assets other than trade accounts receivable

The Group recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost, debt investments measured at FVOCI.

The Group recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

ECLs are a probability-weighted estimate of credit losses based on forward-looking and historical experience. Credit losses are measured as the present value of all cash shortfalls discounted by the effective interest rate of the financial asset.

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The Group considers a financial asset to have low credit risk when its credit rating is equivalent to the globally understood definition of 'investment grade'. The Group recognises ECLs for low credit risk financial asset as 12-month ECLs.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, significant deterioration in credit rating, significant deterioration in the operating results of the debtor and existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group takes action such as realising security (if any is held); or
- the financial asset is more than 365 days past due.

(4) Write offs

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments which have maturities of three months or less from the date of acquisition.

(f) Trade and other current receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A receivable is measured at transaction price less allowance for expected credit loss. Bad debts are written off when the Group has no reasonable expectations of recovering.

The Group estimates lifetime expected credit losses (ECLs), using a provision matrix to find the ECLs rates. This method groups the debtors based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date.

(g) Inventories

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

Cost of inventories are calculated by the following methods:

Work in process	By actual cost specific to weight of the work piece
Raw materials, spare parts and factory supplies	By the first-in, first-out method

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Cost includes direct costs incurred in acquiring the inventories. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share 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.

(h) Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes capitalised borrowing costs, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Differences between the proceeds from disposal and the carrying amount of property, plant and equipment are recognised in profit or loss.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful lives of each component of an asset and recognised in profit or loss. No depreciation is provided on freehold land and assets under construction and installation.

The estimated useful lives are as follows:

Buildings and building improvement	5, 20 years
Machinery and factory equipment	5 - 20 years
Furniture, fixtures and office equipment	3 - 5 years
Vehicles	5 years

(i) Intangible assets

Goodwill

Goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investee, the carrying amount of goodwill is included in the carrying amount of the investment.

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Other intangible assets

Other intangible assets are measured at cost less accumulated amortisation and impairment losses. Subsequent expenditure is capitalised only when it will generate the future economic benefits.

Amortisation is calculated on a straight-line basis over the estimated useful lives of other intangible assets and recognised in profit or loss. The estimated useful lives are as follows:

Software licences	5 - 10 years
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No amortisation is provided on software under installation.

The amortisation of other intangible assets is included in administrative expenses.

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(j) Leases

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

At commencement, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices of each component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which are recognised as expense on a straight-line basis over the respective lease terms.

Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any prepaid lease payments, plus any initial direct costs incurred. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of all lease payments that shall be paid under the lease. The Group uses the Group's incremental borrowing rate to discount the lease payments to the present value. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a lease modification. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use assets has been reduced to zero. The Group remeasured lease liabilities using the original discount rate and recognised the impact of the change in lease liability in profit or loss.

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(k) Impairment of non-financial assets

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and other intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time. An impairment loss is recognised in profit or loss if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount, unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

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

Impairment losses of assets recognised in prior periods is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(l) Employee benefits

Defined contribution plan

Obligations for contributions to the Group's provident funds are expensed as the related service is provided.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligations is discounted to the present value, which performed by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in other comprehensive income. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

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Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(m) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

Warranties

A provision for warranties is recognised when the underlying products or services are sold. The provision is based on historical warranty data and a weighting of all possible outcomes against their associated probabilities.

(n) 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 market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and asset positions at a bid price and liabilities and liability positions at an ask price.

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The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price, the financial instrument is initially measured at fair value adjusted for the difference between the fair value on initial recognition and the transaction price and the difference is recognised in profit or loss immediately. However, for the fair value categorised as level 3, such difference is deferred and will be recognised in profit or loss on an appropriate basis over the life of the instrument or until the fair value level is transferred or the transaction is closed out.

(o) Revenue

(1) Revenue recognition

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax or other sales taxes and is after deduction of any trade discounts and volume rebates.

Revenue from sales of goods is recognised on the date on which the goods are delivered to the customers.

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 Group 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.

(2) Contract balances

Contract assets are recognised when the Group has recognised revenue before it has an unconditional right to receive consideration. The contract assets are measured at the amount of consideration that the Group is entitled to, less allowance for expected credit loss. The contract assets are classified as trade receivables when the Group has an unconditional right to receive consideration.

Contract liabilities are the obligation to transfer goods or services to the customer. The contract liabilities are recognised when the Group receives or has an unconditional right to receive non-refundable consideration from the customer before the Group recognises the related revenue.

A refund liability is the obligation to refund some or all of the consideration received from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The refund liability is reassessed at each reporting date and the Group makes a corresponding change to the amount of revenue recognised.

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(3) Contract cost assets

Contract cost assets are the incremental costs to obtain a contract with a customer. The Group expects to recover these costs.

Contract cost assets are measured at cost less accumulated amortisation and impairment losses. Amortisation is charged to profit or loss on systematic basis over the term of the contract it relates to, consistent with the related revenue recognition.

(p) Income tax

Income tax expense for the year comprises current and deferred tax, which is recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is recognised in respect of the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination or at the time of the transaction (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Current deferred tax assets and liabilities are offset in the separate financial statements.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(q) Earnings per share

The calculation of basic EPS has been based on the profit attributable to ordinary shareholders of the Company and the weighted-average number of ordinary shares outstanding.

4 Related parties

A related party is a person or entity that has direct or indirect control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that is under common control or under the same significant influence as the Group; or a person or entity over which the Group has direct or indirect control or has significant influence over the financial and managerial decision-making.

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Relationships with subsidiaries are described in notes 9. Other related parties which the Group had significant transactions with during the year were as follows:

Name of entities	Nationalities	Nature of relationship
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

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

Transactions	Pricing policies
Interest income	Contractually agreed price
Purchase goods and services	Contractually agreed price
Technical assistance expense	Contractually agreed price
Gain from sale of machinery and factory equipment	Contractually agreed price

Significant transactions with related parties for the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
	<i>(in thousand Baht)</i>			
Subsidiaries				
Interest income	-	-	-	3,742
Purchase goods and services	-	-	1,111,310	1,525,399
Technical assistance expense	-	-	21,123	22,392
Gain from sale of machinery and factory equipment	-	-	3,120	-
Key management personnel				
Key management personnel compensation				
Short - term benefits	26,726	51,572	18,376	42,994
Post - employment benefits	223	171	223	171
Total key management personnel Compensation	26,949	51,743	18,599	43,165
Balances with related parties at 31 December				
Other current receivables				
Subsidiaries	-	-	284,570	231,653
Less allowance for expected credit loss	-	-	-	-
Net	-	-	284,570	231,653

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Movement of long-term loans to related party

	Interest rate (% per annum)	At 1 January	Separate financial statements			At 31 December
			Increase	Decrease	Translation adjustment	
2024						
Subsidiary	1.00	414,392	-	(368,058)	(46,334)	-
Less allowance for expected credit loss		(20,397)	-	19,072	1,325	-
Net		393,995				-

<i>Balances with related parties at 31 December</i>	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
	(in thousand Baht)			
<i>Trade accounts payable</i>				
Subsidiaries	-	-	255,991	402,860
Total	-	-	255,991	402,860
<i>Other current payables</i>				
Subsidiaries	-	-	85,311	126,073
Total	-	-	85,311	126,073

Significant agreements with related parties

Service agreement

The Company entered into a service agreement with M.C.S. Steel (Xiamen) Co., Ltd. for the fabrication of steel based on design drawing and delivery according to the project schedule. Under the agreement, the Company pays M.C.S. Steel (Xiamen) Co., Ltd. in advance for procurement of steel materials as identified in the project agreement.

Technical service agreement

The Company entered into a technical service agreement with M.C.S. - JAPAN Co., Ltd. to obtain technical and proficiency skills to improve the efficiency of the steel fabrication process. The Company is required to pay service charges as specified in the agreement. The agreement is for one year and is automatically renewed unless either party notifies it be terminated.

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5 Cash and cash equivalents

	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
	<i>(in thousand Baht)</i>			
Cash on hand	916	811	839	732
Cash at banks	536,918	144,916	445,956	87,968
Cash and cash equivalents in the statement of financial position and statement of cash flows	537,834	145,727	446,795	88,700

6 Trade and other current receivables

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		2025	2024	2025	2024
		<i>(in thousand Baht)</i>			
Trade accounts receivable					
Other parties					
Within credit terms		875,728	1,177,458	875,728	1,128,454
Overdue:					
Less than 3 months		63,512	-	-	-
3 - 6 months		-	-	-	-
6 - 12 months		929	3,269	929	3,269
More than 12 months		46,821	62,589	-	-
Total		986,990	1,243,316	876,657	1,131,723
Less allowance for expected credit loss		(77,897)	(99,396)	-	-
Trade accounts receivables - Net		909,093	1,143,920	876,657	1,131,723
Other current receivables					
Related parties					
Product and service advance payment	4	-	-	281,736	231,653
Others		-	-	2,834	-
Total		-	-	284,570	231,653
Other parties					
Retention receivables		220,355	345,661	220,355	345,661
Product and service advance payment		104,248	73,843	44,031	33,067
Revenue department receivables		24,261	94,721	6,307	83,190
Others		22,976	18,586	9,661	6,602
Total		371,840	532,811	280,354	468,520
Less allowance for expected credit loss		(10,741)	(29,442)	-	-
Net		361,099	503,369	280,354	468,520
Other current receivables - Net		361,099	503,369	564,924	700,173
Trade and other current		1,270,192	1,647,289	1,441,581	1,831,896

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	Note	Consolidated financial statements		Separate financial statements	
		2025	2024	2025	2024
receivables - Net					
		<i>(in thousand Baht)</i>			
		Consolidated financial statements		Separate financial statements	
		2025	2024	2025	2024
		<i>(in thousand Baht)</i>			
Allowance for expected credit loss					
At 1 January		128,838	152,182	-	-
Reversal through comprehensive income		(33,943)	-	-	-
Reversal not through comprehensive income		-	(15,809)	-	-
Effect of movements in exchange rates		(6,257)	(7,535)	-	-
At 31 December		88,638	128,838	-	-

7 Inventories

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
		<i>(in thousand Baht)</i>		
Work in progress	1,166,344	864,513	974,046	719,940
Raw materials	749,647	1,531,811	698,419	1,462,855
Spare parts and factory supplies	264,657	262,946	191,847	131,025
Goods in transit	165,805	69,308	165,804	69,308
Total	2,346,453	2,728,578	2,030,116	2,383,128
Inventories recognised in 'cost of sales of goods and rendering of services' and 'contract costs':				
- Cost of goods and rendering of services	3,532,472	4,030,296	3,572,117	4,218,909
Net	3,532,472	4,030,296	3,572,117	4,218,909

As at 31 December 2025 and 2024, the Company's certain portion of raw materials are pledged as collateral for credit facilities with a local financial institution as disclosed in note 14.

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8 Loans to employees

	Consolidated and Separate financial statements	
	2025	2024
	<i>(in thousand Baht)</i>	
At 1 January	59,697	63,592
Decrease	(4,610)	(3,894)
Transfers to property, plant and equipment	(3,412)	-
At 31 December	<u>51,675</u>	<u>59,698</u>
Current	4,245	5,905
Non-current	47,430	53,793
At 31 December	<u>51,675</u>	<u>59,698</u>

According to the Board of Directors Meeting No. 3/2018 dated 24 March 2018, it had resolution to approve the Company to provide loans to employees as welfare and support employees to have accommodation at low cost by calculating interest at 2% per annum. The period of payment is not over 20 years.

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9 Investments in subsidiaries

Investment in subsidiaries in the separate financial statements as at 31 December 2025 and 2024 which are stated at cost are as follow:

	Country of operation	Percentage of shareholding		Paid-up capital		Cost		Separate financial statements				Dividend Income for the year	
		2025	2024	2025	2024	2025	2024	Impairment		Net Cost		2025	2024
		<i>(Percent)</i>						2025	2024	2025	2024	2025	2024
Direct subsidiaries													
TANAKA WELDING CENTER Co., Ltd. ⁽¹⁾	Thailand	99.92	99.92	Baht 14.85 million	Baht 14.85 million	8,203	8,741	(459)	(1,045)	7,744	7,696	-	-
M.C.S. - JAPAN Co., Ltd. ⁽²⁾	Japan	98.00	98.00	Yen 50 million	Yen 50 million	9,756	10,395	-	-	9,756	10,395	-	-
M.C.S. Steel (Xiamen) Co., Ltd. ⁽³⁾	China	74.00	74.00	Yuan 64 million	Yuan 64 million	125,992	134,246	-	(10,807)	125,992	123,439	-	-
Total						143,951	153,382	(459)	(11,852)	143,492	141,530	-	-

(1) Subsidiary operates the businesses of welder training and real estate.

(2) Subsidiary operates the businesses of design and production of structural steel product.

(3) Subsidiary operates the business of production and distribution of structural steel product.

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10 Non-controlling interests

The following table summarises the information relating to each of the Group's subsidiaries that has a material non-controlling interest, before any intra-group eliminations:

	M.C.S. Steel (Xiamen) Co., Ltd.	
	2025	2024
	<i>(in thousand Baht)</i>	
Non-controlling interest percentage	26.00	26.00
Current assets	452,145	657,597
Non-current assets	230,244	242,694
Current liabilities	(131,881)	(389,750)
Non-current liabilities	(31,414)	(31,414)
Net assets	519,094	479,127
Carrying amount of non-controlling interest	<u>161,340</u>	<u>138,532</u>
Revenue	1,201,733	1,162,107
Profit (loss)	90,375	45,667
Other comprehensive income (expense)	(2,651)	(32,395)
Total comprehensive income (expense)	87,724	13,272
Profit (loss) allocated to non-controlling interest	23,497	11,873
Other comprehensive income (expense) allocated to non-controlling interest	(689)	(8,422)
Total	22,808	3,451
Cash flows from operating activities	239,020	(143,717)
Cash flows from investing activities	(4,381)	(7,186)
Cash flows from financing activities	(206,119)	143,624
Effect of exchange rate changes on cash and cash equivalents	4,445	16,413
Net increase in cash and cash equivalents	32,965	9,134

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11 Property, plant and equipment

	Consolidated financial statements						
	Land and land improvement	Buildings and building improvement	Machinery and factory equipment	Furniture, fixtures and office equipment <i>(In thousand Baht)</i>	Vehicles	Assets under construction and installation	Total
Cost							
At 1 January 2024	303,603	919,653	1,113,883	174,266	39,839	236,137	2,787,381
Additions	-	258	24,023	18,359	4,893	175,806	223,339
Transfers	-	89,083	148,060	-	-	(237,143)	-
Disposals	-	-	(13,781)	(12,927)	(10,635)	-	(37,343)
Effect of movements in exchange rates	(30,396)	(79,977)	(129,985)	(16,110)	(7,035)	(26,535)	(290,038)
At 31 December 2024 and 1 January 2025	273,207	929,017	1,142,200	163,588	27,062	148,265	2,683,339
Additions	22,093	3,212	22,293	10,620	4,957	295,433	358,608
Transfers	-	71,109	211,554	-	-	(279,251)	3,412
Disposals	-	(16,943)	(41,272)	(1,570)	(1,476)	-	(61,261)
Adjust	(2,249)	-	-	-	-	-	(2,249)
Effect of movements in exchange rates	(16,798)	(49,202)	(64,983)	(7,835)	(1,442)	(9,116)	(149,376)
At 31 December 2025	276,253	937,193	1,269,792	164,803	29,101	155,331	2,832,473

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	Consolidated financial statements						
	Land and land improvement	Buildings and building improvement	Machinery and factory equipment	Furniture, fixtures and office equipment <i>(In thousand Baht)</i>	Vehicles	Assets under construction and installation	Total
<i>Depreciation</i>							
At 1 January 2024	2,698	589,068	783,643	140,674	28,289	-	1,544,372
Depreciation charge for the year	-	44,573	38,576	28,672	29,737	-	141,558
Disposals	-	-	(13,528)	(12,812)	(6,983)	-	(33,323)
Effect of movements in exchange rates	(301)	(57,009)	(57,391)	(26,021)	(33,478)	-	(174,200)
At 31 December 2024 and 1 January 2025	2,397	576,632	751,300	130,513	17,565	-	1,478,407
Depreciation charge for the year	-	42,119	102,873	13,888	2,906	-	161,786
Transfers	-	234	(234)	-	-	-	-
Disposals	-	(13,672)	(41,024)	(1,504)	(1,476)	-	(57,676)
Adjust	(2,249)	-	-	-	-	-	(2,249)
Effect of movements in exchange rates	(148)	(32,886)	(52,156)	(7,299)	(1,271)	-	(93,760)
At 31 December 2025	-	572,427	760,759	135,598	17,724	-	1,486,508
<i>Net book value</i>							
At 31 December 2024	270,810	352,385	390,900	33,075	9,497	148,265	1,204,932
At 31 December 2025	276,253	364,766	509,033	29,205	11,377	155,331	1,345,965

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	Separate financial statements						
	Land and land improvement	Buildings and building improvement	Machinery and factory equipment	Furniture, fixtures and office equipment <i>(In thousand Baht)</i>	Vehicles	Assets under construction and installation	Total
Cost							
At 1 January 2024	110,083	574,220	877,847	91,297	22,894	218,318	1,894,659
Additions	-	113	5,648	15,442	107	175,806	197,116
Transfers	-	89,083	141,612	-	-	(230,695)	-
Disposals	-	-	(11,251)	(12,829)	(4,701)	-	(28,781)
Effect of movements in exchange rates	(12,309)	(64,206)	(98,156)	(10,208)	(2,560)	(24,411)	(211,850)
At 31 December 2024 and 1 January 2025	97,774	599,210	915,700	83,702	15,740	139,018	1,851,144
Additions	22,093	821	8,250	7,793	3,621	290,976	333,554
Transfers	-	71,109	207,097	-	-	(274,794)	3,412
Disposals	-	(16,943)	(39,005)	(1,266)	(1,476)	-	(58,690)
Adjust	(2,249)	-	-	-	-	-	(2,249)
Effect of movements in exchange rates	(6,012)	(36,842)	(56,301)	(5,145)	(968)	(8,547)	(113,815)
At 31 December 2025	111,606	617,355	1,035,741	85,084	16,917	146,653	2,013,356

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	Separate financial statements						
	Land and land improvement	Buildings and building improvement	Machinery and factory equipment	Furniture, fixtures and office equipment <i>(In thousand Baht)</i>	Vehicles	Assets under construction and installation	Total
Depreciation							
At 1 January 2024	2,699	377,539	630,117	71,641	18,380	-	1,100,376
Depreciation charge for the year	-	23,196	23,128	26,681	28,398	-	101,403
Disposals	-	-	(11,251)	(12,726)	(3,370)	-	(27,347)
Effect of movements in exchange rates	(302)	(46,436)	(33,233)	(22,734)	(29,246)	-	(131,951)
At 31 December 2024 and 1 January 2025	2,397	354,299	608,761	62,862	14,162	-	1,042,481
Depreciation charge for the year	-	23,030	91,127	11,672	1,007	-	126,836
Transfers	-	234	(234)	-	-	-	-
Disposals	-	(13,672)	(39,004)	(1,223)	(1,476)	-	(55,375)
Adjust	(2,249)	-	-	-	-	-	(2,249)
Effect of movements in exchange rates	(148)	(23,953)	(45,635)	(4,981)	(962)	-	(75,679)
At 31 December 2025	-	339,938	615,015	68,330	12,731	-	1,036,014

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	Separate financial statements						
	Land and land improvement	Buildings and building improvement	Machinery and factory equipment	Furniture, fixtures and office equipment <i>(In thousand Baht)</i>	Vehicles	Assets under construction and installation	Total
<i>Net book value</i>							
At 31 December 2024	<u>95,377</u>	<u>244,911</u>	<u>306,939</u>	<u>20,840</u>	<u>1,578</u>	<u>139,018</u>	<u>808,663</u>
At 31 December 2025	<u>111,606</u>	<u>277,417</u>	<u>420,726</u>	<u>16,754</u>	<u>4,186</u>	<u>146,653</u>	<u>977,342</u>

As at 31 December 2025, the Group and the Company's land and building with a net book value of Baht 271.89 million and Baht 89.51 million (2024: Baht 320.66 million and Baht 122.94 million) are pledged as collateral for bank credit facilities and as at 31 December 2025 and 2024, the Company committed not to sell, transfer or make any restriction to the machinery for the such credit facilities with a local financial institution.

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12 Right-of-use assets

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
	<i>(in thousand Baht)</i>			
Land	107,093	113,914	-	-
Equipment	3,467	1,397	3,467	1,397
Vehicles	1,620	2,562	1,620	2,562
Total	112,180	117,873	5,087	3,959

In 2025, additions to the right-of-use assets of the Group and the Company were Baht 3.09 million (2024: Baht 2.87 million).

In 2025 and 2024, the Group leased a office equipment for 4 - 5 years and paid fixed lease payment. These payment terms are common in Thailand.

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
<i>(in thousand Baht)</i>				
For the year ended 31 December				
Amounts recognised in profit or loss				
Depreciation of right-of-use assets:				
- Land	3,540	3,803	-	-
- Equipment	867	1,197	867	1,197
- Vehicles	935	901	935	901
Interest on lease liabilities	288	176	288	176
Expenses relating to short-term leases - office equipment	815	654	815	654

In 2025, total cash outflow for leases of the Group and the Company were Baht 1.97 million and Baht 2.13 million, respectively (2024: Baht 2.22 million and Baht 2.13 million, respectively).

13 Trade and other current payables

	Note	Consolidated financial statements		Separate financial statements	
		2025	2024	2025	2024
<i>(in thousand Baht)</i>					
Trade accounts payable					
Related parties	4	-	-	255,991	402,860
Other parties		970,191	1,354,614	916,012	1,279,470
Total trade accounts payable		970,191	1,354,614	1,172,003	1,682,330
Other current payables					
Related parties					
Accrued expenses	4	-	-	18,859	15,757
Other		-	-	66,452	110,316

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	Note	Consolidated financial statements		Separate financial statements	
		2025	2024	2025	2024
<i>(in thousand Baht)</i>					
Total		-	-	85,311	126,073
Other parties					
Accrued expenses		191,322	287,303	116,953	204,667
Contract liabilities	18	17,300	-	17,300	-
Other		58,948	30,558	51,001	22,101
Total		267,570	317,861	185,254	226,768
Total other current payables		267,570	317,861	270,565	352,841
Trade and other current payables		1,237,761	1,672,475	1,442,568	2,035,171

14 Interest-bearing liabilities

	Consolidated financial statements					
	2025			2024		
	Secured	Unsecured	Total	Secured	Unsecured	Total
<i>(in thousand Baht)</i>						
Short-term loans from financial institutions	54,732	-	54,732	222,905	-	222,905
Long-term loans from financial institutions	221,611	-	221,611	301,554	-	301,554
Less Current portion of long-term loans from financial institutions	(24,623)	-	(24,623)	(26,265)	-	(26,265)
Net long-term loans from financial institutions	196,988	-	196,988	275,289	-	275,289
Lease liabilities	2,523	3,854	6,377	3,394	1,773	5,167
Total interest-bearing liabilities	278,866	3,854	282,720	527,853	1,773	529,626

	Separate financial statements					
	2025			2024		
	Secured	Unsecured	Total	Secured	Unsecured	Total
<i>(in thousand Baht)</i>						
Lease liabilities	1,856	3,854	5,710	2,889	1,773	4,662

At 31 December 2025, a subsidiary has outstanding loans from a financial institution amounting to Yuan 12 million or equivalent to Baht 54.73 million (2024: Yuan 55.55 million or equivalent to Baht 261.81 million), which bear interest rate between 3.60% to 3.70% per annum (2024: 3.80% to 3.90% per annum), which will become due within April 2026. The short-term loans were guaranteed by right-of-use assets of the subsidiary.

At 31 December 2025, a subsidiary has outstanding loans from a financial institution amounting to Yen 1,080 million or equivalent to Baht 221.61 million (2024: Yen 1,200 million or equivalent to Baht

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262.65 million), which bear interest rate TIBOR, and will become due within December 2029. The long-term loans were guaranteed by assets of the subsidiary.

At 31 December 2025, the Group and the Company has unutilized credit facilities with financial institutions for overdrafts, trust receipt and loan totaling Baht 849.29 million and Baht 630.36 million, respectively (2024: Baht 398.52 million and Baht 377.55 million, respectively).

Assets pledged as security for liabilities at 31 December	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
	<i>(in thousand Baht)</i>			
Inventories	695,944	1,354,457	695,944	1,354,457
Property, plant and equipment	271,888	320,658	89,513	122,935
Right-of-use assets	107,093	113,914	-	-
Total	1,074,925	1,789,029	785,457	1,477,392

15 Non-current provisions for employee benefits

At 31 December	Consolidated and Separate financial statements	
	2025	2024
	<i>(in thousand Baht)</i>	
Defined benefit plan	32,463	30,234
Total	32,463	30,234

Defined benefit plan

The Group and the Company operate a defined benefit plan based on the requirement of Thai Labour Protection Act B.E 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service. The defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

Present value of the defined benefit obligations	Consolidated and Separate financial statements	
	2025	2024
At 1 January	30,234	31,500
Recognised in profit or loss:		
Current service cost	3,032	2,624
Interest on obligation	689	711
Total	3,721	3,335
Recognised in other comprehensive income		
Actuarial (gain) loss		
- Financial assumptions	-	652
- Experience adjustment	-	(4,539)
Total	-	(3,887)
Benefit paid	(1,492)	(714)

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<i>Present value of the defined benefit obligations</i>	Consolidated and Separate financial statements	
	2025	2024
At 31 December	32,463	30,234

<i>Principal actuarial assumptions</i>	Consolidated and Separate financial statements	
	2025	2024
		(%)
Discount rate	2.40	2.40
Future salary growth	5.00	5.00
Turnover rate	3.82 – 45.84	3.82 – 45.84

Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 31 December 2025 the weighted-average duration of the defined benefit obligation was 7.31 years (2024: 7.31 years).

Sensitivity analysis

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

<i>Effect to the defined benefit obligation At 31 December</i>	Consolidated and Separate financial statements			
	Increase in assumption		Decrease in assumption	
	2025	2024	2025	2024
	<i>(in thousand Baht)</i>			
Discount rate (0.5% change)	(1,185)	(1,074)	1,187	1,138
Future salary growth (1% change)	2,723	2,570	(2,527)	(2,325)

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16 Provision for product warranty

	Consolidated financial statement	Separate financial statement
	<i>(in thousand Baht)</i>	
At 1 January 2024	33,313	26,002
Provisions made	23,123	26,642
Provisions used	(11,828)	(11,828)
Effect of movements in exchange rates	(3,573)	(2,844)
At 31 December 2024 and 1 January 2025	41,035	37,972
Provisions made	25,028	25,759
Provisions used	(23,019)	(23,019)
Effect of movements in exchange rates	(2,552)	(2,373)
At 31 December 2025	40,492	38,339

Warranties

The provision for warranty relates mainly to structural steel products. The provision has been estimated based on historical warranty data associated with similar products.

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17 Legal reserve

Section 116 of the Public Limited Companies Act B.E. 2535 (1992) Section 116 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

18 Segment information and disaggregation of revenue

(a) Segment information

Segment results that are reported to the Group’s CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Management determined that the Group has three reportable segments on the basis of geographical of the entities, as described below, which are the Group’s strategic divisions. The strategic divisions offer different operations separately. For each of the strategic divisions, the chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group’s reportable segments.

- Segment 1 Thailand
- Segment 2 China
- Segment 3 Japan

Information regarding the results of each reportable segment is included below. Performance is measured based on segment operating profit, as included in the internal management reports that are reviewed by the Group’s CODM. Segment operating profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

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<i>For the year ended 31 December</i>	Thailand		China		Japan		Elimination of inter-segment revenues		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
<i>(in thousand Baht)</i>										
Information about reportable segments										
External revenues	5,037,274	5,591,168	145,078	14,306	3,097	1,697	-	-	5,185,449	5,607,171
Inter-segment revenue	-	-	1,032,940	1,209,835	256,766	360,695	(1,289,706)	(1,570,530)	-	-
Total revenue	<u>5,037,274</u>	<u>5,591,168</u>	<u>1,178,018</u>	<u>1,224,141</u>	<u>259,863</u>	<u>362,392</u>	<u>(1,289,706)</u>	<u>(1,570,530)</u>	<u>5,185,449</u>	<u>5,607,171</u>
Disaggregation of revenue										
Primary geographical markets										
Thailand	49,512	124,860	1,032,940	1,209,835	240,843	346,998	(1,273,783)	(1,556,833)	49,512	124,860
China	-	-	880	672	15,924	13,697	(15,923)	(13,697)	881	672
Japan	4,987,762	5,466,308	144,198	13,634	3,096	1,697	-	-	5,135,056	5,481,639
Total revenue	<u>5,037,274</u>	<u>5,591,168</u>	<u>1,178,018</u>	<u>1,224,141</u>	<u>259,863</u>	<u>362,392</u>	<u>(1,289,706)</u>	<u>(1,570,530)</u>	<u>5,185,449</u>	<u>5,607,171</u>
Major products/service lines										
Fabrication and sell of structural steel	4,726,740	5,182,265	1,178,018	1,224,141	259,863	362,392	(1,289,706)	(1,570,530)	4,874,915	5,198,268
Fabrication including installation of structural steel	49,512	124,860	-	-	-	-	-	-	49,512	124,860
Rendering of services	261,022	284,043	-	-	-	-	-	-	261,022	284,043
Total revenue	<u>5,037,274</u>	<u>5,591,168</u>	<u>1,178,018</u>	<u>1,224,141</u>	<u>259,863</u>	<u>362,392</u>	<u>(1,289,706)</u>	<u>(1,570,530)</u>	<u>5,185,449</u>	<u>5,607,171</u>
Timing of revenue recognition										
At a point in time	4,726,740	5,182,265	1,178,018	1,224,141	259,863	362,392	(1,289,706)	(1,570,530)	4,874,915	5,198,268
Over time	310,534	408,903	-	-	-	-	-	-	310,534	408,903
Total revenue	<u>5,037,274</u>	<u>5,591,168</u>	<u>1,178,018</u>	<u>1,224,141</u>	<u>259,863</u>	<u>362,392</u>	<u>(1,289,706)</u>	<u>(1,570,530)</u>	<u>5,185,449</u>	<u>5,607,171</u>
Segment profit (loss) before income tax	886,105	634,382	105,577	50,489	26,439	17,943	(10,193)	2,038	1,007,928	704,852
Segment assets as at 31 December	5,199,402	5,488,906	728,038	908,263	609,578	484,662	(776,937)	(811,727)	5,760,081	6,070,104
Segment liabilities as at 31 December	1,520,328	2,109,307	169,774	437,723	579,790	465,071	(646,392)	(701,182)	1,623,500	2,310,919

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(b) *Major customer*

Revenues from one customer of the Group's segment 1 represents approximately Baht 3,425.25 million (2024: Baht 1,484.37 million) of the Group's total revenue.

(c) *Promotional privileges*

The Group has been granted promotional certificates by the Office of the Board of Investment for the manufacturing of gasket under fabrication of metal structure products or platform repair. The Group has been granted several privileges including exemption and/or reduction from payment of income tax on the net profit derived from promoted operations with certain terms and conditions prescribed in the promotional certificates, which the Group must comply with.

(d) *Contract Balances*

Contract assets	<i>Note</i>	Consolidated and Separate financial statements	
		2025	2024
		<i>(in thousand Baht)</i>	
Material movement			
Year ended 31 December			
Recognised as revenue during the year		49,512	124,860
Transfer to trade accounts receivable		(10,460)	(70,613)

The contract assets primarily relate to the Group's rights to consideration for project installation service agreements which the Group has rendered the services but not yet billed the customers at the reporting date.

Contract liabilities	<i>Note</i>	Consolidated and Separate financial statements	
		2025	2024
		<i>(in thousand Baht)</i>	
Advances received according to fabrication including installation of structural steel contract	13	17,300	-
Total		17,300	-

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(e) *Contract cost assets*

Contract cost assets are the incremental costs to obtain a contract with a customer. The Group expects to recover these costs.

Contract cost assets are measured at cost less accumulated amortisation and impairment losses. Amortisation is charged to profit or loss on systematic basis over the term of the contract it relates to, consistent with the related revenue recognition.

As at	Consolidated and Separate financial statements	
	31 December 2025	31 December 2024
	<i>(in thousand Baht)</i>	
Contract cost assets	78,042	149,593
Total	78,042	149,593

For Year ended 31 December	Consolidated and Separate financial statements	
	2025	2024
	<i>(in thousand Baht)</i>	
As at 1 January	149,593	235,042
Amortisation	(69,105)	(64,551)
Effect of movements in exchange rates	(2,446)	(20,898)
As at 31 December	78,042	149,593

19 Expenses by nature

	Note	Consolidated financial statements		Separate financial statements	
		2025	2024	2025	2024
		<i>(in thousand Baht)</i>			
Changes in inventories of finished goods and work in progress		(390,796)	74,878	(254,106)	5,983
Raw materials and consumables used		3,116,479	3,132,491	1,871,305	1,973,878
Shipping cost		344,551	474,724	339,397	470,286
Personnel expenses		460,469	526,160	335,640	422,863
Subcontract cost		106,188	109,822	1,383,575	1,639,453
Depreciation and amortisation		169,027	149,872	129,763	104,655
Amortisation of contract cost assets		69,105	64,551	69,105	64,551
Utilities expense		53,003	52,939	43,067	44,670
Repair and maintenance		40,116	30,878	34,934	24,007
Professional and consultation fee		7,296	7,376	7,223	7,192
Others		197,415	224,676	177,530	213,367
Total cost of sales of goods and service, contract cost, distribution costs and administrative expenses		4,172,853	4,848,367	4,137,433	4,970,905

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20 Income tax

<i>Income tax recognised in profit or loss</i>	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
	<i>(in thousand Baht)</i>			
Current tax expense				
Current year	27,711	18,397	-	-
	27,711	18,397	-	-
Deferred tax expense				
Change in temporary differences	(3,269)	(4,022)	(1,325)	2,254
Exchange differences	(22)	-	(22)	180
Total income tax expense	24,420	14,375	(1,347)	2,434

	Consolidated and Separate financial statements					
	2025			2024		
<i>Income tax</i>	Before tax	Tax expense	Net of tax	Before tax	Tax expense	Net of tax
	<i>(in thousand Baht)</i>					
Recognised in other comprehensive income						
Defined benefit plan actuarial gains	-	-	-	3,886	(306)	3,580
Total	-	-	-	3,886	(306)	3,580

<i>Reconciliation of effective tax rate</i>	Consolidated financial statements			
	2025		2024	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit before income tax expense		1,007,928		704,852
Income tax using the Thai corporation tax rate	20.00	201,586	20.00	140,970
Difference from taxable currency		(45,338)		(25,919)
Expenses not deductible for tax purposes		(3,233)		5,751
Expenses allowed increase in determine taxable		(66)		(504)
Income not subject to tax		(38,646)		(3,776)
The exemption of profit of the promoted business (BOI)		(114,882)		(93,687)
Effect of different tax rates in foreign jurisdictions		46,104		(4,229)
Recognition of previously unrecognised tax losses		(12,893)		(8,045)
Elimination and others		(8,212)		3,814
Total	2.42	24,420	2.04	14,375

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Reconciliation of effective tax rate

	Separate financial statements			
		2025		2024
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit before income tax expense		886,165		634,192
Income tax using the Thai corporation tax rate	20.00	177,233	20.00	126,838
Difference from taxable currency		(45,338)		(25,919)
Expenses not deductible for tax purposes		(3,233)		538
Expenses allowed increase in determine taxable		(66)		(504)
Income not subject to tax		(4,149)		874
The exemption of profit of the promoted business (BOI)		(114,882)		(93,687)
Recognition of previously unrecognised tax losses		(12,893)		(8,045)
Others		1,981		2,339
Total	(0.15)	(1,347)	0.38	2,434

Consolidated financial statements

Deferred tax At 31 December	Assets		Liabilities	
	2025	2024	2025	2024
	(in thousand Baht)			
Total	3,266	2,382	(26,118)	(29,437)
Set off of tax	(3,266)	(2,382)	3,266	2,382
Net deferred tax liabilities	-	-	(22,852)	(27,055)

Separate financial statements

Deferred tax At 31 December	Assets		Liabilities	
	2025	2024	2025	2024
	(in thousand Baht)			
Total	3,266	2,382	(5)	(446)
Set off of tax	(5)	(446)	5	446
Net deferred tax assets	3,261	1,936	-	-

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	Consolidated financial statements (Charged) / Credited to				At 31 December
	At 1 January	Profit or loss	Other comprehensive income <i>(in thousand Baht)</i>	Exchange differences	
Deferred tax					
2025					
Deferred tax assets					
Provisions for employee benefits	2,382	(409)	-	-	1,973
Property, plant and equipment	-	1,293	-	-	1,293
Total	2,382	884	-	-	3,266
Deferred tax liabilities					
Property, plant and equipment	(446)	446	-	-	-
Lease liabilities	-	(5)	-	-	(5)
Prepaid land rental expense	(28,991)	1,944	-	934	(26,113)
Total	(29,437)	2,385	-	934	(26,118)
Net	(27,055)	3,269	-	934	(22,852)
2024					
Deferred tax assets					
Lease liabilities	1	(1)	-	-	-
Provisions for employee benefits	2,696	(8)	(306)	-	2,382
Total	2,697	(9)	(306)	-	2,382
Deferred tax liabilities					
Property, plant and equipment	(2,280)	1,834	-	-	(446)
Prepaid land rental expense	(32,258)	2,197	-	1,070	(28,991)
Total	(34,538)	4,031	-	1,070	(29,437)
Net	(31,841)	4,022	(306)	1,070	(27,055)

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	Separate financial statements (Charged) / Credited to				At 31 December
	At 1 January	Profit or loss	Other comprehensive income <i>(in thousand Baht)</i>	Exchange differences	
Deferred tax					
2025					
Deferred tax assets					
Provisions for employee benefits	2,382	(409)	-	-	1,973
Property, plant and equipment	-	1,293	-	-	1,293
Total	2,382	884	-	-	3,266
Deferred tax liabilities					
Property, plant and equipment	(446)	446	-	-	-
Lease liabilities	-	(5)	-	-	(5)
Total	(446)	441	-	-	(5)
Net	1,936	1,325	-	-	3,261
2024					
Deferred tax assets					
Lease liabilities	1	(1)	-	-	-
Provisions for employee benefits	2,696	(8)	(306)	-	2,382
Loan to related party	4,079	(4,079)	-	-	-
Total	6,776	(4,088)	(306)	-	2,382
Deferred tax liabilities					
Property, plant and equipment	(2,280)	1,834	-	-	(446)
Total	(2,280)	1,834	-	-	(446)
Net	4,496	(2,254)	(306)	-	1,936

M.C.S. Steel Public Company Limited and its Subsidiaries
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For the year ended 31 December 2025

<i>Unrecognised deferred tax assets</i>	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
	<i>(in thousand Baht)</i>			
Tax losses	98,870	115,020	98,869	113,798

The tax losses expire in 2028. The deductible temporary differences do not expire under current tax legislation. The Group and the Company has not recognised these items as deferred tax assets because it is not probable that the Group and the Company will have sufficient future taxable profit to utilise the benefits therefrom.

21 Earnings per share

	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
	<i>(in thousand Baht)</i>			
<i>Profit attributable to ordinary shareholders</i>				
Profit attributable to ordinary shareholders of the Company (basic)	<u>960,010</u>	<u>678,604</u>	<u>887,512</u>	<u>631,758</u>
<i>Ordinary shares outstanding</i>				
Number of ordinary shares outstanding at 1 January	<u>477,000</u>	<u>477,000</u>	<u>477,000</u>	<u>477,000</u>
Number of ordinary shares outstanding (basic) at 31 December	<u>477,000</u>	<u>477,000</u>	<u>477,000</u>	<u>477,000</u>
Earnings per share (basic) (in Baht)	<u>2.01</u>	<u>1.42</u>	<u>1.86</u>	<u>1.32</u>

22 Dividends

	Approval date	Payment schedule	Dividend rate per share (Baht)	Amount (in thousand Baht)
<u>2025</u>				
2024 Annual dividend	10 April 2025	7 May 2025	0.50	238,489
2025 Interim dividend	11 August 2025	10 September 2025	0.25	119,249
				<u>357,738</u>
<u>2024</u>				
2023 Annual dividend	9 April 2024	2 May 2024	0.32	152,630
2024 Interim dividend	8 August 2024	10 September 2024	0.20	95,389
				<u>248,019</u>

M.C.S. Steel Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2025

23 Financial instruments

(a) Carrying amounts and fair values

The Group's financial assets and financial liabilities measured at amortised cost and the carrying amount is a reasonable approximation of fair value.

(b) Financial risk management policies

Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(b.1) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

(b.1.1) Trade accounts receivable and contract assets

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate. Detail of concentration of revenue are included in note 18.

The Group limits its exposure to credit risk from trade accounts receivable by establishing a maximum payment period of 365 days. Outstanding trade receivables are regularly monitored by the Group. An impairment analysis is performed by the Group at each reporting date. The provision rates of expected credit loss are based on days past due for individual trade receivables to reflect differences between economic conditions in the past, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

M.C.S. Steel Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2025

Information relevant to trade accounts receivable and contract assets are disclosed in note 6 and 18, respectively.

(b.1.2) Cash and cash equivalents

The Group's exposure to credit risk arising from cash and cash equivalents is limited because the counterparties are banks and financial institutions which the Group considers to have low credit risk.

(b.2) Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

The following table shows the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

At 31 December	Consolidated financial statements					Total
	Carrying amount	Contractual cash flows				
		1 year or less	More than 1 year but less than 5 years	More than 5 years		
		<i>(in thousand Baht)</i>				
2025						
Non-derivative financial liabilities						
Loans from financial institutions	276,343	79,356	196,987	-		276,343
Trade and other current payables	1,237,761	1,237,761	-	-		1,237,761
Lease liabilities	6,377	1,775	4,602	-		6,377
	1,520,481	1,318,892	201,589	-		1,520,481
2024						
Non-derivative financial liabilities						
Loans from financial institutions	498,194	222,905	275,289	-		498,194
Trade and other current payables	1,672,475	1,672,475	-	-		1,672,475
Lease liabilities	5,167	2,065	3,102	-		5,167
	2,175,836	1,897,445	278,391	-		2,175,836

M.C.S. Steel Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2025

At 31 December	Carrying amount	Separate financial statements			Total
		Contractual cash flows	More than 1 year but less than 5 years	More than 5 years	
		1 year or less			
		<i>(in thousand Baht)</i>			
2025					
Non-derivative financial liabilities					
Trade and other current payables	1,442,568	1,442,568	-	-	1,442,568
Lease liabilities	5,710	1,606	4,104	-	5,710
	<u>1,448,278</u>	<u>1,444,174</u>	<u>4,104</u>	<u>-</u>	<u>1,448,278</u>
2024					
Non-derivative financial liabilities					
Trade and other current payables	2,035,171	2,035,171	-	-	2,035,171
Lease liabilities	4,662	1,949	2,713	-	4,662
	<u>2,039,833</u>	<u>2,037,120</u>	<u>2,713</u>	<u>-</u>	<u>2,039,833</u>

(b.3) Market risk

The Group is exposed to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is as follows:

(b.3.1) Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies.

Exposure to foreign currency	Consolidated financial statements			
	USD	THB	CNY	Total
At 31 December	<i>(in thousand Baht)</i>			
2025				
Cash and cash equivalents	688	48,295	67,193	116,176
Trade and other current receivables	-	59,999	77,522	137,521
Interest-bearing liabilities	-	(5,710)	(54,732)	(60,442)
Trade and other current payables	(16,216)	(131,012)	(81,197)	(228,425)
Net statement of financial position exposure	<u>(15,528)</u>	<u>(28,428)</u>	<u>8,786</u>	<u>(35,170)</u>
2024				
Cash and cash equivalents	741	49,493	30,846	81,080
Trade and other current receivables	-	122,859	28,476	151,335
Interest-bearing liabilities	-	(4,662)	(261,807)	(266,469)
Trade and other current payables	(4,488)	(170,017)	(67,158)	(241,663)

M.C.S. Steel Public Company Limited and its Subsidiaries
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Consolidated financial statements

Exposure to foreign currency
At 31 December

	USD	THB (in thousand Baht)	CNY	Total
2025				
Net statement of financial position exposure	(3,747)	(2,327)	(269,643)	(275,717)

Separate financial statements

Exposure to foreign currency
At 31 December

	USD	THB (in thousand Baht)	Total
2025			
Cash and cash equivalents	688	48,295	48,983
Trade and other current receivables	-	59,999	59,999
Interest-bearing liabilities	-	(5,710)	(5,710)
Trade and other current payables	(16,216)	(131,012)	(147,228)
Net statement of financial position exposure	(15,528)	(28,428)	(43,956)

2024

Cash and cash equivalents	741	49,493	50,234
Trade and other current receivables	-	122,859	122,859
Interest-bearing liabilities	-	(4,662)	(4,662)
Trade and other current payables	(4,488)	(170,017)	(174,505)
Net statement of financial position exposure	(3,747)	(2,327)	(6,074)

Sensitivity analysis

A reasonably possible strengthening (weakening) of Japanese Yen against all other foreign currencies at the reporting date would have affected the measurement of financial instruments denominated in a foreign currency. This analysis assumes that all other variables, in particular interest rates, remain constant.

Impact to profit or loss	Movement	Consolidated financial statements		Separate financial statements	
		Strengthening	Weakening	Strengthening	Weakening
	(%)	(in thousand Baht)			
2025					
USD	10	(1,553)	1,553	(1,553)	1,553
THB	10	(2,843)	2,843	(2,843)	2,843
CNY	10	879	(879)	-	-
2024					
USD	10	(375)	375	(375)	375
THB	10	(233)	233	(233)	233
CNY	10	(26,964)	26,964	-	-

M.C.S. Steel Public Company Limited and its Subsidiaries
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(b.3.2) Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because loan interest rates are mainly fixed. The Group is primarily exposed to interest rate risk from its borrowings (see note 14) are mainly fixed. So the Group has low interest rate risk. The sensitivity impact to the increase or decrease in interest expenses from borrowings, as a result of changes in interest rates is immaterial on financial statements of the Group.

24 Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board regularly monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

25 Commitments with non-related parties

	Consolidated and Separate financial statements	
	2025	2024
	<i>(in thousand Baht)</i>	
Capital commitments		
Buildings and other constructions	21,013	15,745
Total	21,013	15,745
Other commitments		
Unused letters of credit for goods and supplies that have been opened but have not yet recognise liabilities	1,068,540	1,252,452
Purchase orders for goods and supplies	5,743	2,768
Bank guarantees	1,270,462	146,002
Other agreements	3,293	1,165
Total	2,348,038	1,402,387

Hiring job search agent agreement

On 1 December 2018, the Company entered into job search agreement with Creation Import Distribution Inc. Such company will be an agent in negotiating with the new customers under the rate of service fee specified in 2 year agreement. If either party does not give the advance notice not less than 3 months, it considers as the extension of this agreement.

M.C.S. Steel Public Company Limited and its Subsidiaries
Notes to the financial statements
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26 Functional currency financial statements

The statements of financial position as at 31 December 2025 and 2024 and statements of comprehensive income for the year ended 31 December 2025 and 2024 presented in Japanese Yen currency which is used in its operations as major sales and purchases transactions are denominated in Japanese Yen currency. The detail are as follows:

<i>Statement of financial position</i>	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2025	2024	2025	2024
	<i>(in thousand Yen)</i>			
Assets				
Current assets				
Cash and cash equivalents	2,701,409	686,951	2,244,140	418,126
Trade and other current receivables	6,379,306	7,765,214	7,240,707	8,635,438
Current portion of long-term loans to employees	21,321	27,834	21,321	27,834
Inventories	11,785,653	12,862,339	10,196,773	11,233,912
Total current assets	20,887,689	21,342,338	19,702,941	20,315,310
Non-current assets				
Restricted bank deposits	5,812	5,496	4,315	4,091
Investments in subsidiaries	-	-	720,727	667,162
Long-term loans to employees	238,231	253,575	238,231	253,575
Property, plant and equipment	6,760,450	5,679,972	4,908,950	3,811,986
Right-of-use assets	563,451	555,646	25,550	18,665
Other intangible assets	58,092	66,010	38,337	43,248
Deferred tax assets	-	-	16,377	9,128
Contract cost assets	391,986	705,172	391,986	705,172
Other non-current assets	25,199	5,867	22,703	3,749
Total non-current assets	8,043,221	7,271,738	6,367,176	5,516,776
Total assets	28,930,910	28,614,076	26,070,117	25,832,086

M.C.S. Steel Public Company Limited and its Subsidiaries
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<i>Statement of financial position</i>	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2025	2024	2025	2024
	<i>(in thousand Yen)</i>			
Liabilities and equity				
Current liabilities				
Short-term loans from financial institutions	266,733	1,018,404	-	-
Trade and other current payables	6,032,119	7,641,868	7,030,231	9,298,946
Current portion of lease liabilities	8,651	9,433	7,826	8,905
Current portion of long-term loans from financial institutions	120,000	120,000	-	-
Income tax payable	35,150	47,947	-	-
Total current liabilities	6,462,653	8,837,652	7,038,057	9,307,851
Non-current liabilities				
Lease liabilities	110,879	14,174	20,003	12,396
Long-term loans from financial institutions	960,000	1,257,734	-	-
Deferred tax liabilities	22,428	123,326	-	-
Non-current provisions for employee benefits	158,206	138,130	158,206	138,130
Provisions for product warranty	197,335	187,478	186,842	173,488
Total non-current liabilities	1,448,848	1,720,842	365,051	324,014
Total liabilities	7,911,501	10,558,494	7,403,108	9,631,865
Equity				
Share capital:				
Authorised share capital	1,269,343	1,269,343	1,269,343	1,269,343
Issued and paid-up share capital	1,269,343	1,269,343	1,269,343	1,269,343
Share premium	371,008	371,008	371,008	371,008
Retained earnings				
Appropriated				
Legal reserve	153,579	153,579	153,579	153,579
Unappropriated	17,968,697	15,240,810	16,873,079	14,406,291
Other components of equity	613,445	519,774	-	-
Equity attributable to owners of the parent	20,376,072	17,554,514	18,667,009	16,200,221
Non-controlling interests	643,337	501,068	-	-
Total equity	21,019,409	18,055,582	18,667,009	16,200,221

M.C.S. Steel Public Company Limited and its Subsidiaries
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<i>Statement of financial position</i>	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
	<i>(in thousand Yen)</i>			
Total liabilities and equity	28,930,910	28,614,076	26,070,117	25,832,086

<i>Statement of comprehensive income</i>	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
	For the year ended 31 December			
	<i>(in thousand Yen)</i>			

Income

Revenue from sale of goods and rendering of services	23,308,992	23,625,298	22,620,314	23,555,368
Contract revenue	236,881	520,088	236,881	520,088
Other income	320,777	346,473	138,627	320,306
Total income	23,866,650	24,491,859	22,995,822	24,395,762

Expenses

Costs of sale of goods and rendering of services	15,931,320	16,909,058	16,095,356	17,738,356
Contract costs	123,780	384,092	123,780	384,092
Distribution costs	1,666,119	2,113,522	1,675,015	2,126,759
Administrative expenses	1,221,566	1,407,458	868,862	1,110,408
Net foreign exchange loss	267,557	487,113	181,933	202,235
Total expenses	19,210,342	21,301,243	18,944,946	21,561,850

Profit from operating activities

Finance costs	84,958	91,622	20,040	56,810
Profit before income tax expense	4,571,350	3,098,994	4,030,836	2,777,102
Tax (income) expense	191,014	63,258	(6,095)	11,374
Profit for the year	4,380,336	3,035,736	4,036,931	2,765,728

Other comprehensive income (expense)

Items that will be reclassified subsequently to profit or loss

Exchange differences on translating financial statements	153,635	192,805	-	-
Total comprehensive income (expense) for the year	153,635	192,805	-	-

Items that will not be reclassified subsequently to profit or loss

Gain on remeasurements of defined benefit plans	-	17,757	-	17,757
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M.C.S. Steel Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2025

	Consolidated		Separate	
	financial statements		financial statements	
	For the year ended 31 December			
<i>Statement of comprehensive income</i>	2025	2024	2025	2024
	<i>(in thousand Yen)</i>			
Income tax relating to items that will not be reclassified	-	(1,444)	-	(1,444)
Total item that will not be reclassified subsequently to profit or loss	-	16,313	-	16,313
Other comprehensive income (expense) for the year, net of tax	153,635	209,118	-	16,313
Total comprehensive income (expense) for the year	4,533,971	3,244,854	4,036,931	2,782,041
Profit attributable to:				
Owners of parent	4,298,031	2,984,816	4,036,931	2,765,727
Non-controlling interest	82,305	50,920	-	-
	4,380,336	3,035,736	4,036,931	2,765,727
Total comprehensive income (expense) attributable to:				
Owners of parent	4,391,702	3,157,706	4,036,931	2,782,041
Non-controlling interest	142,269	87,148	-	-
	4,533,971	3,244,854	4,036,931	2,782,041
Basic earnings per share (in Yen)	9.01	6.26	8.46	5.80

M.C.S. Steel Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2025

27 Reclassification of accounts

Certain accounts in the 2024 financial statements have been reclassified to conform to the presentation in the 2025 financial statements as follows:

<i>Statement of financial position</i>	Consolidated financial statements			Separate financial statements		
	Before reclassified	Reclassified	After reclassified	Before reclassified	Reclassified	After reclassified
At 31 December 2024						
Cash and cash equivalents	142,044	3,684	145,728	84,718	3,982	88,700
Restricted bank deposits	-	1,166	1,166	-	868	868
Trade and other current payables	(1,667,625)	(4,850)	(1,672,475)	(2,030,321)	(4,850)	(2,035,171)
Short-term loans from financial institutions	(249,170)	26,265	(222,905)	-	-	-
Current portion of long-term loans from financial institutions	-	<u>(26,265)</u>	(26,265)	-	<u>-</u>	-
		<u>-</u>			<u>-</u>	

The reclassifications have been made because, in the opinion of management, the new reclassifications are more appropriate to the Group's business.

28 Events after the reporting period

Approval of annual dividend

At the Board of Directors Meeting held on 20 February 2026, the Board of Directors approved the annual dividend payment in cash based on the operating result for the year of 2025 of Baht 0.95 per share, totaling Baht 453.15 million. The company has already paid interim dividend in the ratio of Baht 0.25 per share, totaling Baht 119.25 million. Therefore, the Company will pay dividend at Baht 0.70 per share, totaling Baht 333.90 million. The dividend is subject to approve by the shareholders at the annual general meeting to be held in April 2026.

Attached (document)

Attach 1

Profiles of Directors, Executives, Controlling Persons, Person Assigned the Highest Responsibility in Finance and Accounting, Person Assigned as the Person Supervising Accounting and Company Secretary As at 31 December 2025

Dr.Naiyuan Chi

Age 73

- The founder
- Chairman of Board Director
- Senior Advisor

Appointed Date : September 1,2022

- The Authorized Director



1. Directorship	▪ Induction since 2005
2. Stock Holding at December 30,2025	▪ 6,500,000 Shares or 1.36 %
3. Share changed in 2025	▪ None
4. Relationship with Company's Executive (S) :	▪ None
5. Education / Training from Thai Institute of Directors (IOD)	▪ Ph.D. of Engineering Kyoto University ▪ Director Accreditation Program (DAP) Class 25th Year 2004
6. Work Experience in the last 5 Years	<p><u>MCS Group</u></p> <ul style="list-style-type: none"> ▪ 2022 September – Present Senior Advisor M.C.S. Steel Public Company Limited ▪ 2005 – 2022 August Executive Chairman M.C.S. Steel Public Company Limited ▪ 2010 – Present Director Tanaka Welding Center Co., Ltd. ▪ 2018 to Present Director M.C.S. – JAPAN Co., Ltd. , Japan

Ms. Wanna Pholkaew

Age 49

- Director
Most recently appointed Date : April 10,2025
- Risk Management Committee
Most recently appointed Date : April 10,2025
- Managing Director
Appointed Date : August 13, 2021
- The Authorized Director



1. Directorship	<ul style="list-style-type: none"> ▪ Induction since November 2018
2. Stock Holding at December 30,2025	78,500 Shares or 0.016%
3. Share changed in 2025	<ul style="list-style-type: none"> ▪ 68,000 Shares
4. Relationship with Company' s Executive (S) :	<ul style="list-style-type: none"> ▪ None
5. Education / Training from Thai Institute of Directors (IOD)	<ul style="list-style-type: none"> ▪ Bachelor of Business Administration (Computer) Rangsit University ▪ Bachelor of Engineering and Technology Department of Industrial Engineering Pathum Thani University (Japanese course) Futaba Collage of Foreign Languages : JAPAN ▪ Certificate of Director Accreditation Program (DAP) Class 156th Year 2019
6. Work Experience in the last 5 Years	<p><u>MCS Group</u></p> <ul style="list-style-type: none"> ▪ 2021 to Present Managing Director M.C.S. Steel Public Co., Ltd. ▪ 2017 to 2018 Asst. to Vice President Foreigner Co-ordination Dept. M.C.S. Steel Public Co., Ltd. ▪ 2018 to Present Director M.C.S. – JAPAN Co., Ltd. , Japan

Mr. Phairat Viwatborvornwong

Age 58

- Director
Most recently appointed Date : April 10,2025
- Risk Management Committee
Most recently appointed Date : April 10,2025
- Deputy Managing Director of Estimate and Planning
Appointed Date : August 20,2021
- The Authorized Director



1. Directorship	<ul style="list-style-type: none"> ▪ Induction since 2007
2. Stock Holding at December 30,2025	<ul style="list-style-type: none"> ▪ 10,000 shares or 0.002%
3. Share changed in 2025	<ul style="list-style-type: none"> ▪ None
4. Relationship with Company' s Executive (S) :	<ul style="list-style-type: none"> ▪ None
5. Education / Training from Thai Institute of Directors (IOD)	<ul style="list-style-type: none"> ▪ Bachelor of Civil Engineering Rajamangala Institute of Technology Tewes ▪ Certificate of Director Accreditation Program (DAP) Class 70th Year 2008
6. Work Experience in the last 5 Years	<p><u>MCS Group</u></p> <ul style="list-style-type: none"> ▪ 2021 to Present Deputy Managing Director of Estimate and Planning M.C.S. Steel Public Co., Ltd. ▪ 2014 to 2018 President M.C.S. Steel Public Co., Ltd. ▪ 2010 to Present Director Tanaka Welding Center Co., Ltd.

Mr.Pornchai Phisarnanukunkit

Age 56

- Director
Most recently appointed Date : April 10,2025
- Deputy Managing Director of Factory & Production
Appointed Date : August 20,2021
- The Authorized Director



1. Directorship	▪ Most recently induction since 2005
2. Stock Holding at December 30,2025	▪ None
3. Share changed in 2025	▪ None
4. Relationship with Company' s Executive (S) :	▪ None
5. Education / Training from Thai Institute of Directors (IOD)	<ul style="list-style-type: none"> ▪ Bachelor of Industrial Technology in Structures King Mongkuts Institute of Technology North Bangkok ▪ Master of Business Administration (Industrial Business Administration) King Mongkuts Institute of Technology North Bangkok ▪ Certificate of Director Accreditation Program (DAP) Class 42nd Year 2005
6. Work Experience in the last 5 Years	<p><u>MCS Group</u></p> <ul style="list-style-type: none"> ▪ 2021 to Present Deputy Managing Director of Factory & Production M.C.S. Steel Public Co., Ltd. ▪ 2010 to Present Director Tanaka Welding Center Co., Ltd.

Police General Damrongsak Kittiprapas

Age 63

- Vice Chairman Director
Appointed Date : January 15,2025
- Independent Director
- Chairman of Risk Management Director Committee
- Chairman of Nomination and Remuneration Committee
- Audit Committee



1. Directorship	▪ Induction since January 15,2025
2. Stock Holding at December 30,2025	▪ None
3. Share changed in 2025	▪ None
4. Relationship with Company' s Executive (S) :	▪ None
5. Education / Training from Thai Institute of Directors (IOD)	<ul style="list-style-type: none"> ▪ Bachelor's degree in Public Administration from the Royal Thai Police Academy, Class 38 ▪ Master's degree in Public Administration from City University, USA, ▪ National Defence Course , Class 59th ▪ Certificate of Director Accreditation Program (DAP) Class 214th Year 2024
6. Work Experience in the last 5 Years	<ul style="list-style-type: none"> ▪ 2024 – Present Independent Director and a member of the Sustainability and Corporate Governance Committee CP ALL Public Company Limited. ▪ October 2022- September 2023 Commissioner-General of the Royal Thai Police ▪ October 2020- September 2022 Deputy Commissioner-General of the Royal Thai Police

Mr. Tinakorn Seedasomboon

Age 65

- Chairman of Audit Committee
Appointed Date : November 7, 2025
- Member of the Nomination and Remuneration Committee
Most recently appointed Date : April 17, 2023
- Chairman of Risk Management Committee
Most recently appointed Date : April 17, 2023



1. Directorship	▪ Induction since 2010
2. Stock Holding at December 30, 2025	▪ 286,400 shares or 0.060%
3. Share changed in 2025	▪ Decreased 50,000 shares
4. Relationship with Company' s Executive (S) :	▪ None
5. Education / Training from Thai Institute of Directors (IOD)	<ul style="list-style-type: none"> ▪ Bachelor of Accounting , Bangkok University ▪ Master of Business Administration The University of the Thai Chamber of Commerce (UTCC) ▪ Certificate of Director Accreditation Program (DAP) Class 61st Year 2006 ▪ Certificate of Director Certification Program (DCP) Class 92nd Year 2007 ▪ Certificate of Audit Committee Program (ACP) Class 19th Year 2007 ▪ Certificate of Role of the Chairman Program (RCP) Class 30th Year 2013 ▪ Certificate of Advanced Audit Committee Program (AACP) Class 27th Year 2017 ▪ Certificate of Board Nomination and Compensation Program (BNCP) Class 6th Year 2019
6. Work Experience in the last 5 Years	Other Companies <ul style="list-style-type: none"> ▪ 2002 to Present President Praathid Accounting Co., Ltd. ▪ 2009 to Present Independent Director DVMVS Co., Ltd.

Mr.Supoj Kaewmanee

Age 66

- Member of Audit Committee
Most recently appointed Date : April 9,2024
- Nomination and Remuneration Committee
Most recently appointed Date : April 9,2024
- Risk Management Committee
Most recently appointed Date : April 9,2024



1. Directorship	▪ Induction Since 2018
2. Stock Holding at December 30,2025	▪ None
3. Share changed in 2025	▪ None
4. Relationship with Company' s Executive (S) :	▪ None
5. Education / Training from Thai Institute of Directors (IOD)	<ul style="list-style-type: none"> ▪ Bachelor of Laws ,Thammasat University ▪ Master of Laws ,Ramkhamhaeng University ▪ Certificate of Director Accreditation Program (DAP) Class 107th Year 2014 ▪ Tax Law Training Course offered by the Training Institute of the Bar Association, Batch 2 ▪ Tax Law Course for the Public provided by the Civil Service Development Institute, Tax Administration Division, Office of Civil Service Promotion, Batch 5.
6. Work Experience in the last 5 Years	<p><u>Other Listed Companies / Other Company</u></p> <ul style="list-style-type: none"> ▪ 2014 to Present Chairman of Nomination and Remuneration Committee And Member of Audit Committee Salee Printing Public Co., Ltd. ▪ 2019-Present Director Thai Investors Association ▪ 2019 to Present Independent Director and Audit Committee The Union Mosaic Industry Public Co., Ltd. ▪ 2013 to 2024 Chairman of Nomination and Remuneration Committee And Member of Audit Committee LDC Dental Public Co., Ltd.

Mr.Hideo Iwaki

Age 62

- Director
Most recently appointed Date : April 9,2024



1. Directorship	▪ Since April 2022
2. Stock Holding at December 30,2025	▪ None
3. Share changed in 2025	▪ None
4. Relationship with Company' s Executive (S) :	▪ None
5. Education / Training from Thai Institute of Directors (IOD)	<ul style="list-style-type: none"> ▪ Master Degree of Department of Integrated Science and Technology of Architecture Tokyo Institute of Technology ▪ Bachelor Degree of Department of Architecture Tokyo Institute of Technology
6. Work Experience in the last 5 Years	<ul style="list-style-type: none"> ▪ 2010-2021 Technology Development Dept. Kajima Corporation , Japan ▪ 2024-Present Director M.C.S.-JAPAN Co., Ltd.

Ms.Mattawan Srisakda

Age : 51

- Deputy Managing Director of Accounting and Financial
Appointed Date : August 20,2021
- The person taking the highest responsibility
in finance and accounting



1. Stock Holding at December 30,2025	▪ 74,700 shares or 0.016%
2. Share changed in 2025	▪ <u>Increased 30,000 shares</u>
3. Relationship with Company' s Executive (S) :	▪ None
4. Education / Training	▪ Bachelor of Business Administration (Accounting) Rangsit University
5. Work Experience in the last 5 Years	<p><u>MCS Group</u></p> <ul style="list-style-type: none"> ▪ 2021 to Present Deputy Managing Director of Accounting and Financial M.C.S. Steel Public Co., Ltd. ▪ 2009 to Present Manager : Accounting and Financial Department M.C.S. Steel Public Co., Ltd. ▪ 2018 to November 2023 Director M.C.S. – JAPAN Co., Ltd. , Japan

Ms.Kanchalika Sangparinya

Age 48

- Company Secretary
Appointed Date : since 2009



1. Stock Holding at December 30,2025	▪ 67,500 shares or 0.014%
2. Share changed in 2025	▪ None
3. Relationship with Company' s Executive (S) :	▪ None
4. Education / Training from Thai Institute of Directors (IOD)	<ul style="list-style-type: none"> ▪ Bachelor of Business Administrator (Computer Information Management) Saint John ' s University ▪ Bachelor of Accounting The University of the Thai Chamber Commerce ▪ Master of Business Administration (International Business Management) Saint John University ▪ Japanese course Toyo Language school , Japan ▪ Certificate of Company Secretary Program Year 2010 ▪ Certificate of IR Professional Program Class1/2012 ▪ Certificate of IR Fundamental No.2 Year 2019 From SET ▪ Summary of Key Concepts and Financial Statement Preparation According to TFRS 9: Financial Instruments (Part 1) ▪ Business and GHG Emission Reduction Stock Exchange of Thailand ▪ Carbon Footprint For Organization Stock Exchange of Thailand
5. Work Experience in the last 5 Years	<p><u>MCS Group</u></p> <ul style="list-style-type: none"> ▪ 2005-2008 Secretary to CEO M.C.S. Steel Public Co., Ltd. ▪ 2009 to Present Company Secretary M.C.S. Steel Public Co., Ltd. ▪ November 2023 to Present Director and Vice President M.C.S.-JAPAN Co., Ltd. , Japan

Miss Titinan Punlaising

Age : 45

- Assistant Manager : Accounting and Financial Department
(The Person Assigned as the Person Supervising Accounting)
Appointed Date : since 2021



1. Stock Holding at December 30,2025	▪ None
2. Share changed in 2025	▪ None
3. Relationship with Company' s Executive (S) :	▪ None
4. Education	▪ Bachelor of Business Administration (Accounting) Sripatum University
5. Work Experience in the last 5 Years	<u>MCS Group</u> <ul style="list-style-type: none"> ▪ 2012 to Present Assistant Manager : Accounting and Financial Department M.C.S. Steel Public Co., Ltd.

Information of Directors, Executives who are the Management of its Subsidiaries.

(At December 31, 2025)

1. Tanaka Welding Center Co., Ltd.

No.	Name of Director	Position
1.	Dr.Naiyuan Chi	Director
2.	Mr.Phairat Viwatborvornwong	Authorized Director
3.	Mr.Pornchai Phisamanukunkit	Director

2. M.C.S.- JAPAN Co., Ltd.

No.	Name of Director	Position
1.	Dr.Naiyuan Chi	Director
2.	Mr.Hideo Iwaki	Director
3.	Ms.Wanna Pholkaew	Director
4.	Mr.Yoshiyasu Kagehiro	Director
5.	Ms.Kanchalika Sangparinya	Director

3. M.C.S.- Steel-Xiamen Co., Ltd.

No.	Name of Director	Position
1.	Dr.Naiyuan Chi	Director

Profile of Head of Internal Audit



1. Head of Internal Audit	Ms. Pornsiri Sukchai
Name	
Position	Internal Audit
Age	36 Years
Education	<ul style="list-style-type: none"> - Bachelor Degree of Business Administration and Information Technology Rajamangala University of Technology Suvarnabhumi - Bachelor's degree, Faculty of Business Administration and Accounting, Major in Accounting, Pathum Thani University - Master's Degree in Business Administration and Information Technology, Business Information Technology Program , Rajamangala University of Technology Suvarnabhumi
Work Experience	<ul style="list-style-type: none"> ■ 2012 (October) - 2017 (May) , Assistant Officer (Field Administrative Work) SINO-THAI ENGINEERING AND CONSTRUCTION PUBLIC CO.,LTD. ■ 2017 (May) - 2021 , Assistant to Secretary M.C.S. Steel Public Co., Ltd. ■ 2019 - Present , Head of Internal Audit M.C.S. Steel Public Co., Ltd.
Training	<ol style="list-style-type: none"> 1. Fundamentals for New Auditor Year 2019 By The Institute of Internal Auditors of Thailand 2. Financial Auditing for Internal Auditor or Non Accountants Year 2019 By The Institute of Internal Auditors of Thailand
Duty	<ol style="list-style-type: none"> 1. Set goals and plan the audit in accordance with the company's policy 2. Develop work systems to be efficient and effective 3. Supervise the operation to be in accordance with the specified work plan. 4. Review and assess the organization's Risk Management. 5. Advice and advice to strengthen the internal control system and good management 6. Review the operating procedures to be carried out in accordance with the rules and regulations of the company.
Relationship with Company's Executive (S)	-None-

Assets Used in Business Operations and Details Regarding Asset Valuation Listings

- None -

Corporate Governance and Business Ethics Policies and Practices.

- Details can be found in Section 6 on Corporate Governance Policies -

Annual Report of the Audit Committee for the Year 2025

The Audit Committee of M.C.S. Steel Public Company Limited consists of three independent directors whose qualifications and composition meet the criteria set forth in the announcement by the Securities and Exchange Commission of Thailand, comprising:

1. Mr.Tinakorn Seedasomboon - Chairman of the Audit Committee
2. Mr.Supoj Kaewmanee - Audit Committee Member
3. Police General Damrongsak Kittiprapas - Audit Committee Member

For 2025 (B.E. 2568), the Audit Committee met four times and performed the following duties and responsibilities:

1. Reviewed the accuracy and reliability of the quarterly financial statements and the annual financial statements for 2025, which were prepared in accordance with generally accepted accounting principles, with adequate disclosures and in compliance with the rules and notifications of the Securities and Exchange Commission of Thailand.
2. Oversaw the Company's operations in accordance with good corporate governance principles. The Audit Committee reviewed and concluded that corporate governance complied with the standards and requirements of the Stock Exchange of Thailand, the Securities and Exchange Act, and other laws relevant to the Company's business.
3. Reviewed and followed up on the Company's risk assessments. The Audit Committee monitored risk prevention and mitigation measures, based on auditors' recommendations and the Company's management actions, amid changing domestic and international economic and social conditions.
4. Reviewed the adequacy of the internal control system. The Audit Committee proposed and recommended improvements to enhance the effectiveness and agility of internal controls to meet current operating conditions.
5. Supervised internal audit. The Committee reviewed the annual audit plan, audit operations, and reporting. The Company's internal audit was found to be appropriate, covering key risk factors and contributing to management effectiveness.
6. Evaluated external audit performance. The Audit Committee considered and proposed to the Board for shareholder approval the appointment of Mr. Bundit Tangpakorn, Certified Public Accountant No. 8509, of PKF Audit (Thailand) Co., Ltd., as the Company's auditor for 2026 (B.E. 2569), with total remuneration not to exceed THB 4,000,000 per year. The proposed fee is higher than 2025 due to potential additional non-audit services (e.g., travel and per diem).

Furthermore, in performing their duties the Audit Committee acted independently in providing opinions and recommendations to management for the benefit of the Company, and received full cooperation from all parties. Thank you.

Yours sincerely,



(Mr. Tinakorn Seedasomboon)
Chairman of the Audit Committee
February 20, 2026

M.C.S. STEEL

PUBLIC COMPANY LIMITED

บริษัท เอ็ม.ซี.เอส.สตีล จำกัด (มหาชน)

📍 เลขที่ 70 หมู่ 2 ตำบลช้างใหญ่ อำเภอบางไทร จังหวัดพระนครศรีอยุธยา 13290
70 Moo 2 Chang-yai, Bang-sai Ayutthaya 13290

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