

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



EY Office Limited
1875 One Bangkok Tower 3, Level 34 - 37
Rama 4 Road, Lumpini, Pathumwan,
Bangkok 10330
Tel: + 66 2264 9090
ey.com

บริษัท สำนักงาน อีวาย จำกัด
1875 อาคาร วัน แบงค็อก ทาวเวอร์ 3 ชั้น 34 - 37
ถนนพระรามที่ 4 แขวงลุมพินี เขตปทุมวัน
กรุงเทพมหานคร 10330
โทรศัพท์: +66 2264 9090
ey.com

Independent Auditor's Report

To the Shareholders of POSCO-Thainox Public Company Limited

Opinion

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

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

Basis for Opinion

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



Shape the future
with confidence

Key Audit Matters

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

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

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

Allowance for diminution in value of inventory

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

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



Shape the future
with confidence

Other Information

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

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

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

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

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

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

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

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



Shape the future
with confidence

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



Shape the future
with confidence

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial statements in which the equity method is applied. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

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

Kessirin Pinpuvadol
Certified Public Accountant (Thailand) No. 7325

EY Office Limited
Bangkok: 13 February 2026

POSCO-Thainox Public Company Limited

Statement of financial position

As at 31 December 2025

(Unit: Baht)

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

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

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

(Unit: Baht)

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

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

Directors