



FORM 56-1 ONE REPORT
2022



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MESSAGE FROM THE CHAIRMAN

Dear Shareholders of Siam Steel International Public Company Limited,

In 2022 is another year, which there are many troubles for the Company's business operations both of energy situation and inflation that affects to the increased costs. Although the Coronavirus disease pandemic (COVID-19) is better, there are relaxation from the government measures as well as the private consumption and the tourists are recovered. Moreover, the Company also protect their turnovers better than in 2021 because of management planning under the change and strategic adjustment to the situations e.g. review the operation plan with risk analysis and continuous impact; review target, sales strategy that should be conformed over the periods; product development to meet the various target customers, together with the unnecessary cost control carefully; adjust the working procedures be more flexible as well as supervise effect on the stakeholders and environments.

In 2023, the Company will step up to the 70th years since Sri Charoen shop was established in 1953. So, this year is important and challenged to operate the business that the target will be continuous sustainable growth. As the domestic factors affect to be increased cost such as cost of electricity, wage, and rising interest rates. Whereas the increased competitors in market are against the revenues, the commercial structure changes after the COVID-19 crisis affect to the business operations and Thais in everyday life directly. The Company will review and bring business development for the corporate sustainability development to drive the sustainable business clearly in 2023.

From the business operation determination through the challenges and crisis more 70 years, on behalf of the Company's Board of Directors and Executives, I would like to express my sincere appreciation to thank all of the shareholders, investors, partners, customers, community, and staff members for your trust, confidence, support, and good cooperation as always. I would like to ensure that the Company will commit to keep moving organization development step by adhering to the good governance, corporate governance, and all stakeholders regard in order to the constant growth for sustainable environment and society forever.



(Mr. Wanchai Kunanantakul)

The Chairman

BUSINESS OPERATION AND PERFORMANCE

STRUCTURE AND BUSINESS OPERATION

Policies and Overall Business Operation

Sri Charoen Industry (1979) Company Limited was established in 1953 by a group of Kunanantakul and Karujit, which later on was converted into a public company on December 27, 1993 and was registered to change its name to Siam Steel International Public Company Limited on July 1, 1996. The Company operates the business of manufacturing and selling furniture under the trademarks “LUCKY” “KINGDOM” “SIAM STEEL” “OKAMURA” “CHITOSE” “PILOT” and “ITO”, “LUCKY” Building System: the prefabricated building system, Bathroom Pods and Water Stop Panel (WSP).

Company’s Vision, Missions and Long-Term Strategic Goals

On January 28, 2019, the Company announced the Vision, Missions and Long-Term Strategic Goals as follow.

Vision

To be a world class innovative leader in providing fully integrated solutions for global demand which aims to enhance sustainable living.

Missions

- To be the top - of - mine brand for customers
- To be long-term trusted partner
- Excellence in design, manufacturing and services by world class quality
- Environmental sustainability to enhance green living

Long-Term Strategic Goals

- Stable financial statement with constant and sustainable growth.
- Efficient management structure.
- Qualified persons.
- Meeting the expectation of stakeholders.

Values

Passion	:	Be enthusiastic and motivated
Collaboration	:	Be open and supportive
Ownership	:	Be accountable and take initiative
Integrity	:	Be honest and transparent
Innovation	:	Be creative and think “outside of the box”

Background and Significant Development

- 1992 - The SET had listed the Company and allows to trade its shares under the name “SIAM”.
- 1996 - Jointed venture with OKAMURA CORPORATION, Japan which Siam Okamura International Co., Ltd. founded to engage business in furniture distribution, especially for Project. The Company holds 51% of registered shares.
- Sri Chareon International Co., Ltd. founded to engage a business in furniture distribution of the Company. This can help the Company to serve a service to customers faster and efficiently. The Company holds 100% of registered shares.
 - Certified the quality system ISO 9001 continuously until present, at version 2008. It is re-certified every 3 years by Bureau Veritas Certification (Thailand) Co., Ltd.
- 2000 - Due to Thailand economic crisis since 1997, with currency exchange rates fluctuation, the Company faced a problem of increasing debt, the Company and Financial Institutions filed a petition with the Court for business rehabilitation. The Court approve the Company’s rehabilitation plan on May 11, 2000. Deloitte Touche Tohmatsu Planner Co., Ltd. and Siam Steel Planner Co., Ltd. were plan administrators.
- 2001 - In April, increased the capital in amount of 1,270,671,110 Baht, from original registered capital of 365 Million Baht to 1,635,671,110 Baht in total. The added shares allocated to Financial Institution creditors which converted debt to equity according to the Company’s rehabilitation plan. On July 3, 2001, the Company completed the conversion debt to equity and paid up the capital in amount of 1,087,024,910 Baht.
- 2002 - In October, proceeded conversion debt to equity for the 2nd time, total paid-up capital was 1,635,669,810 Baht.
- 2004 - In December, increased the capital in amount of 3,295,588,680 Baht, from paid up registered capital of 1,635,669,810 Baht to 4,931,258,490 Baht in total. The new ordinary share was issued in amount of 329,558,868 shares, 10 Baht per share. The share in amount of 178,571,429 Baht was sold to public in amount of 1.40 Baht per share to be paid up debt to Financial Institutions. The debt was paid on December 30, 2004. For the rest amount of 150,987,439 shares to be converted debt to equity. It was completely proceeded on December 27, 2004.
- 2005 - In May, decreased registered capital in amount of 493,125,849 from 10 Baht per share to 1 Baht per share for clear up the accumulated debt of Company.
- In June, increased registered capital in amount of 100,000,000 Baht, issuing new ordinary share in amount of 100,000,000 shares, 1 Baht per share. The total registered paid-up is 593,125,849 Baht by selling these shares to individual in order to pay debt to financial institutions.

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- 2006 - In September, discharged from business rehabilitation according to the Court order. Thus, the power, duties, rights of business management returned to the Company's executives and shareholders of the Company according to law.
- In November, held the first Annual General Meeting of Shareholders after rehabilitation period. With significant purpose to the change of Board of Directors of the Company and management power to be consistent with the Company's regulations as specified. Also, it is to ensure that the Company management is suitable for business conditions.
- 2015 - In September, registered to decrease the capital of Sri Chareon International Co., Ltd. (it is Subsidiary Company which the Company holds 99.99% of registered capital) to decrease accumulated loss of Company from previous registered capital 18,750,000 Baht to 14,000,000 Baht. The Company ordinary share was decreased in amount of 475,000 shares, 10 Baht per share. After decrease, the Company held 1,399,993 shares, 10 Baht per share, 99.99% of registered capital.
- 2016 - On January 4, Siam International Energy Ltd. was founded (it is Subsidiary Company which the Company held share 99.99% of registered capital.) to engage business in renewable energy.
- On January 27, approved Siam International Energy Ltd. (Subsidiary Company) to buy 999,998 ordinary shares, 10 Baht per share of Bangphra Green Energy Ltd. in paid-up share, equal to 2.50 Baht from 1 exiting shareholder (paid-up capital of 2.50 million Baht and 100% paid-up capital in capital increase of Bangphra Green Energy Ltd., the Company's indirect subsidiary)
 - On February 16, Siam International Energy Ltd. (Subsidiary Company) increased capital from 1,000,000 to 49,000,000 Baht and it was 50,000,000 Baht in total (5,000,000 ordinary shares, 10 Baht per share) to buy shares of Bangphra Green Energy Ltd. in order to expand the business in Subsidiary Company.
 - On February 19, Bangphra Green Energy Ltd. (Indirect Subsidiary Company) registered to increase the capital in amount of 30,000,000 Baht from 10,000,000 to 40,000,000 Baht in total (ordinary 4,000,000 shares, 10 Baht per share) in order to expand the business in indirect Subsidiary Company.
 - In March 24, Siam International Energy Ltd. (Subsidiary Company) registered 2 new companies; Siam Biomass Product Ltd. and Siam International Biomass Ltd. to engage a business in renewable energy with registered capital 1,000,000 Baht, divided into 100,000 shares, 10 Baht per share. Siam International Energy Ltd. holds 99,997 shares in each company, 100% of registered capital. They are indirect Subsidiaries.

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- On June 3, Siam International Energy Ltd. (Subsidiary Company) registered Siam Forest Management Ltd. to engage a business in forestry, foresting, cultivating all kinds of plants to get raw materials and to produce renewable energy or commercial forest management. The registered capital 20,000,000 Baht is divided into 2,000,000 shares, 10 Baht per share. The proportion of shareholding is 1,199,997 shares, 60% of registered capital. Siam Forest Management Ltd. is indirect Subsidiary Company.
 - On December 16, Siam Biomass Product Ltd. (Indirect Subsidiary) registered Siam Biomass Product-South Phrasaeng Ltd. to engage a business in renewable energy with registered capital 100,000,000 Baht, 10,000,000 ordinary shares, 10 Baht per share. Siam Biomass Product Ltd. holds 9,999,997 shares, 100% of registered capital. Siam Biomass Product-South Phrasaeng Ltd. is indirect subsidiary.
 - On December 29, Siam International Energy Ltd. (Subsidiary) increased capital in amount of 110,000,000 Baht from 50,000,000 Baht to total 160,000,000 Baht (16,000,000 ordinary shares, 10 Baht per share), 100% of registered capital to buy the ordinary shares of Siam Biomass Product Ltd. in order to expand the business.
 - On December 29, Siam Biomass Product Ltd. (Indirect Subsidiary) increased capital in amount of 99,000,000 Baht from 1,000,000 Baht to 100,000,000 Baht (10,000,000 ordinary shares, 10 Baht per share). It is 100% of capital to expand the business and invest in the new Company.
- 2019 - On October 24, Siam Biomass Product-South Phrasaeng Ltd. (Indirect Subsidiary Company) changed its name to Siam Biomass Manufacturing Ltd.
- 2021 - On April 9, Bangphra Ggreen Energy Co., Ltd. (Indirect Subsidiary Company) decreased the capital in amount 30,000,000 Baht, from original capital of 40,000,000 Baht to 10,000,000 Baht in total. (ordinary share 1,000,000 shares, 10 Baht per share)
- On October 19, decreased shares again in amount of 7,500,000 Baht, from original capital in amount of 10,000,000 Baht to 2,500,000 Baht in total, 250,000 ordinary shares, 10 Baht per share).

Business Activities

The Company is the manufacturer and seller of “LUCKY” “KINGDOM” “SIAM STEEL” “OKAMURA” “CHITOSE” “PILOT” and “ITO” steel furniture and built-in wooden furniture including “LUCKY” Building System: the prefabricated building system for multi-purpose, Bathroom Pods, Water Stop Panel (WSP) as well as interior decorative works for all buildings which include office, hotel, educational institute, financial institute, hospital and airport.

The business lines of subsidiary companies which comprise Siam Okamura Steel Co., Ltd., is the manufacturer of furniture of “OKAMURA” for export and sell in Thailand Sri Chareon International Co., Ltd. is the seller of “LUCKY” “KINGDOM” “SIAM STEEL” “OKAMURA” “CHITOSE” “PILOT” and “ITO” furniture and also providing the related services and Siam Steel OC Co., Ltd. engage in business relating to the distribution of prefabricated buildings, partitions, industrial parts and related products, which supports the Company’s business operation.

Siam International Energy Ltd. investment in the business of renewable energy in various forms.

Indirect Subsidiary Companies are Bangphra Green Energy Ltd., Siam Biomass Product Ltd., Siam International Biomass Ltd., Siam Forest Management Ltd. and Siam Biomass Manufacturing Ltd. (which is a subsidiary company of Siam Biomass Product Ltd. engaging in the business supporting the renewable energy business of the company).

As for the business line of the associated companies; Siam Okamura International Co., Ltd. is the seller furniture of “LUCKY” “KINGDOM” “SIAM STEEL” “OKAMURA” “CHITOSE” “PILOT” and “ITO” Siam Steel Service Center Plc., they have involved in the business related to steel and other products that support the business activities of the Company.

Structure Revenues

Structure Revenues

(Million Bath)

Company Name	Nature of Business	The Fiscal Year	%Proportion Acquired	Revenue					
				2022	%	2021	%	2020	%
Siam Steel International Plc.	Sales of furniture	(Jan-Dec)		908.78	47.35	854.84	49.01	1,083.49	62.25
Subsidiaries Companies									
Sri Chareon International Co.,Ltd.	Sales of furniture	(Jan-Dec)	100%	0.86	0.05	0.29	0.02	2.12	0.12
Siam Okamura Steel Co.,Ltd.	Sales of furniture	(Jan-Dec)	51%	949.40	49.47	813.31	46.98	387.21	22.25
Siam Steel OC Co.,Ltd.	Sales of pre-fabricated building	(Jan-Dec)	51%	18.96	0.99	64.48	3.72	182.76	10.50
Siam International Energy Co.,Ltd.	Investment in alternative Energy	(Jan-Dec)	100%	41.09	2.14	4.64	0.27	51.11	2.94
Siam Okamura International Co.,Ltd.	Sales of furniture	(Jan-Dec)	40%	0.00	0.00	0.00	0.00	33.83	1.94
				1,919.09	100.00	1,737.56	100.00	1,740.52	100.00

Information of Product

(1) Type of Products or Services and Business Innovation Development

The Company is the manufacturer and seller of “LUCKY” “KINGDOM” “SIAM STEEL” “OKAMURA” “CHITOSE” “PILOT” and “ITO” steel furniture and built-in wooden furniture including “LUCKY” Building System: the prefabricated building system for multi-purpose, Bathroom Pods, Water Stop Panel (WSP) as well as interior decorative works for all buildings which include office, hotel, educational institute, financial institute, hospital and airport.

The Company who attained ISO 9001, ISO 14001, ISO 50001, TIS, ISO 45001 by BVQI and Standard for Corporate Social Responsibility (CSR-DIW) certificate as well as was approved to use the Green Label and Thailand Trust Mark on furniture of the Company and received the Certificate of “TGO Guidance of the Carbon Footprint for organization” From Greenhouse Gas Management Organization (Public Organization) and National Science and Technology Development Agency. Also, the Company received the Certificate of Green Industry at the 3rd level; Green System, Systematically Environmental Management, Monitoring and Evaluating and Revising for Continuous Development from Ministry of Industry.

The Company’s core product groups comprise 7 main lines as follows

1. Desks & Tables
2. Cabinets, Lockers and Combine Furniture System
3. Chairs
4. Safes
5. Partitions
6. Shelving System
7. Other groups, such as Bleachers and Folding Stages

“LUCKY” Building System Group, a prefabricated multi-purpose building system suited for variety of uses. The application of “LUCKY” Building System can be divided into 3 groups as follows:

- **Permanent Buildings** such as accommodation unit for oil & gas industry, mining camp, business hotel, convenience store, showroom, etc.
- **Temporary Buildings** such as mobile office, mobile clinic, kiosk, mobile toilet, etc.
- **Special Buildings;** specifically designed for each usage such as emergency shelter, telecom shelter, warehouse units, soundproof rooms, etc.

Apart from the furniture products and prefabricated buildings as mentioned, the Company also develops and produces new products, such as, furniture for hospitals to support the expansion of hospitals market, bathroom pods for the home market and new model of removable water stop panel (WSP) for the government and private projects for flood protection.

(2) Marketing and Competition

(A) Marketing Policy

Marketing Strategy

The Company is the manufacturer and seller of steel furniture and built-in wooden furniture including renovation projects, interior decoration works, prefabricated buildings, bathroom pods and water stop panel. With the following strengths of Company, we can compete with other competitors.

1) **Merchandise Assortment** : The Company can provide different kinds of product that customers need. We are one-stop service provider. Also, the Company can manufacture the customized product according to customer requirement.

2) **Continuous Product Development** : The Company designs and develops the product continuously with distributors and customers according to customer needs.

3) **International Standard Quality** : With efficient machine, high production technology and expertise more than 69 years, the Company's product meets international standards and certified by international standards.

4) **Fast Product Delivery** : Apart from merchandise assortment, we also improve the production capacity in order to meet and support our customer urgent requirement.

5) **Service and After-Sales Service** : The Company provides fast and consistent service and after-sales service for customers.

- Our service; we offer a service of design, plan, suggest suitable product with Computer Aided Design (CAD) program.
- After-Sales service; we offer a service of furniture repair according to customer requirement for renovation and installation service, such as, mobile office and partition.
- Service for renovation work; interior decoration work in places, such as, office buildings, residences, hotels, educational institutions, financial institutions, hospitals and airports.

Distribution and Distribution Channels

The Company distribution and distribution channels is as follows:

- **Domestic Market**

1. **Agents** : With Company's policy, we are focusing on selling product through Agents. We have currently Bangkok and other provinces Agents across the country.
2. **Direct Sales and Project Sales** : This channel is aimed to promote sales in areas where Agent sales is unable to reach for covering all channels and responding the needs of customers thoroughly.
3. **Distribution Channels Increase** : The Company has also added online distribution channel and market place, such as, Lazada, Shopee, Noc-Noc for customer to purchase our product conveniently.

- **International Market**

International Distribution : Apart from distributing the product to customer in USA, Japan and other ASEAN countries, the Company has also expanded the market in AEC countries.

Proportion of Sales by Distribution Channel

	(Million Baht)	%
	Amount	Total Sales
Direct Sales and Project Sales	876	46%
Agent Sales	154	8%
International Sales	836	43%
Sales of Renewable Energy Group	53	3%
*Net Total Sales	1,919	100%

Remar * Information from Consolidated Financial Statement

Type of Customers

The Company has an open distribution channel and can reach customers thoroughly in Bangkok and all region in country. Because our Agents which are our customers have a long and very close relationship with the Company, we always support and cooperate with each other.

In addition, for Direct Sales and Project Sales, the Company always follow up with After-sales results, this makes consistent and continuous relationship with customers. If these customers would like to expand a business or invest a new business, they trust in the Company and will purchase our product.

For overseas customers, apart from keeping distribution product to the customer in USA, Japan and other ASEAN countries, the Company has also expanded the market in AEC countries.

(B) Competition Condition

Type of Industrial Structure

In Thailand, the production of steel furniture started more than 69 years. With the development of technology, improvement of usage function and concerning of modern and furniture beauty, steel furniture became more popular. With the factors mentioned above and durable quality of steel, these made the requirement of steel furniture expanded continuously.

Nowadays, the wooden and steel materials have been used together in furniture manufacturing to be harmonious and delicate. With durable quality, modern and pleasant design and suitable for every place, the demand is increasing steadily.

For the multi-purpose prefabricated building, it is still a new product for Thai market. The Company is a pioneer and have been developing the product. The demand of this product continues to increase every year. Currently, the Company is the biggest manufacturer in Thailand among approximately 10 small prefabricated-building manufacturers.

Competition Conditions in industry

The competition of steel furniture industry today is still intense, especially Price, Product Quality, Style, Usability and Service.

Today, there are approximately 25 large, medium and small scale of steel and wooden furniture manufacturers in the country. These manufacturers produce similar or imitated products in term of style and price. However, since their manufacturing technology, raw materials and product development are different, they are different in term of quality, style and price. In addition, the Company who can provide various kinds of product to customers will gain a competitive advantage over its rivals because the customers can select all kinds of products from us. For customers, it can save time and the decoration and furniture placement will be beautifully harmonious.

For prefabricated multi-purpose buildings, although there are many new manufacturers, the Company can compete with other competitors in term of product quality and price because of our continuous product development. The Company is one of the biggest manufacturers of prefabricated buildings in the country.

The Company's Competitiveness Status

Regarding competitiveness, the Company have gained more advantage over the other competitors because we can provide one stop service. Also, we provide service of construction, renovation, design and decoration work. We develop the manufacturing, material replacement usage and focus on the use of maximum benefit of raw materials and resources including, expansion the cooperation with manufacturing companies in Australia, the America, Europe, the Middle East and Asia. We improve our technique and product style and provide various types of products. So, we are able to meet the needs of customers more.

Being New Competitors in Market

It is less tendency for the Company to have more competitors and it is hard for such competitors to take market share because the Company have more advantage over its competitors in term of quality, style, price, different kinds of product provided to customers, manufacturing expertise, distribution system planning and delivery system. Thus, the Company is able to dominate the most market.

Buyers and Seller's Bargaining Power

For today's economy, while the bargaining power of seller is reduced, the bargaining power of buyer is increased.

Factors of Success for Entrepreneurs in Industry

The factors of success for entrepreneurs in the industry depends on the capability of manufacturing technique development, manufacturing control, efficient management, continuous skilled human resources development, raw materials or substitutes procurement from cheaper sources but same quality. Furthermore, saving policy set up, cost reduction and waste materials management control can reduce production cost. Adding new product in the market, designing modern product to be suitable for applications efficiently.

In addition, there are some other factors of industrial success;

1. International and domestic investment involves construction the offices and factories. The office and factories construction results in the demand of furniture and prefabricated building increased.
2. Re-engineering of organization and technological changes, especially, communication technology have affected the change of suitable office furniture.
3. Overseas businesses have increased the demand of prefabricated buildings because it saves time and can control the construction period, including it can be disassembled and movable easily and quickly.
4. The prefabricated building, such as, temporary and permanent residences, mobile clinics, mobile meeting rooms, etc. is required when the agency and other international organizations urgently need them for alleviating suffering and help the victims of natural disasters and wars
5. The responsibility of industrial entrepreneurs in society and environment is one of the successful factors. It should focus on production process and product not to cause environment impact and concern the highest safety of end-users. Also, it needs to be responsible equally to all groups of stakeholders of the Company.

The Opportunity and Obstacle in Market

From the political situation in the country, the government regulates the measures to develop Thailand economy to be competitive, such as, promoting investment in modern industrial technology, manufacturing market demand product, developing transport infrastructure, improving measure to facilitate the entrepreneurs and investors, improving law, regulations and procedures to facilitate trade and investment and promoting modern agricultural management. These measures are beneficial to economy system because it promotes the consumers spending. The Company expects that in 2023, the economy growth will make the industry expand and the economy will be in a better direction.

External Factors affecting the industry and the Company's Business

Regarding the government's concept to reform and manage in the country, with the measures of Thai economy system development to be competitive along with basic infrastructure system development and stability of steel price, it creates trust in investors to expand the investment in the future.

The integration of the ASEAN Economic Community (AEC) results in the liberalization of trade in goods, service, investment, capital and skilled labor causing more intense competition in both domestic and international markets. The Company is confident that the Company will be able to compete because we have prepared to develop both product and human resources for AEC. In term of Company's export, it is expected that there will be a good tendency. The Company will need to adjust the product price according to the world economy situation.

The Company is currently exporting the product, 6 % of total sales volume. Increased 13 million Baht in year 2022.

(3) Procurement of Products and Services

A) Production

Siam Steel International Public Company Limited has 4 factories located on Poochaosamingprai Road, Bangyaprak Sub-district, Phrapradaeng District, Samutprakarn province.

Type and Sources of Important Raw Materials

Regarding the Company's policy, it aims to manufacture high quality product that meet international standards and customer needs. The Company, thus, has a strict policy to firstly select the best raw materials both inside and outside the country.

The raw materials which are important components for steel furniture industry are as follows:

1. Steel : It is considered as the main raw materials in the production of steel furniture and prefabricated buildings. With over 69 years of experience in steel furniture industry, the Company has contact network of steel manufacturers and distributors both inside and outside the country; in Japan, Korea, China and Taiwan. The Company, thus, can select raw material with reasonable price and quality for each type of product.

The Company, currently procures high quality raw material in the country and from abroad. Therefore, the Company can manufacture product in high quality of raw materials and the Company never faces any shortage of material.

2. Paints and Chemicals : The Company uses paints and special chemicals which is suitable for steel and wooden furniture. With technology development in country and cooperation with paints manufacturers in Thailand., the Company can get suitable paints and chemicals according to the Company need with reasonable price.

3. Equipment and parts : The Company use equipment from domestic sources for the parts that can be manufactured in the country with international standards. For the parts that can't be manufactured in the country and must be under other countries standard and specific regulations and exported to those countries, such as electrical equipment and water supply, those parts must be imported from abroad.

With the Company's raw material management plan in ISO 9001 quality system, production plan, ordering plan, safety stock system, regular research of raw material market, the Company will be able to procure raw material effectively in relation with production.

Raw Material Procurement in Domestic and International

	Year 2022	
	(Million Baht) Amount	%
• Domestic	232.48	97
• International Countries	6.55	3
Total	239.03	100

B) Environmental Impact

The Company concerns about the environment. Thus, environmental policy has been regulated for the purpose of managing and developing the environmental quality both in the factory and the surrounding areas starting from material, manufacturing process and package selections by considering the effect to the environment, providing the environmental management which strictly conform to environmental laws or regulations so that the Company is certified the environmental management standard ISO 14001 by the Bureau Veritas Quality International (BVQI) and the Green Label by the Thailand Environment Institute.

1. Raw material

The majority of raw materials in the manufacturing process is steel produced in domestic part and imported from overseas depends on the qualities and prices. In the steel cutting process, the steel scraps are produced; however, they will be used in the other process for their maximum application namely being transformed into the smaller pieces which are the component of the steel product. The residue which cannot be transformed will be sold for being recycled and stored under control and correct managing plan causing no effect to the environment.

2. Press Line

The steel part cut from steel coil will enter the press line process producing by the pressing machine using hydraulic oil. The pressing machine will be maintained in order to prevent any hydraulic oil leakage, which has the proper management and storage plan causing no effect to the environment, and the used hydraulic oil will be sold for being recycled.

3. Spot and Welding Process

The effects caused by spot and welding process, e.g. heat, fume and combustion gas namely carbon dioxide, carbon monoxide or metallic fume, will be controlled by the installation of the Wet Scrubber in order to protect the environment from any effect. There is also a plan for inspection of fume and gas quantity in order to prevent the same from exceeding the standard values of the Department of Industrial Works and Pollution Control Department.

4. Painting Process

The effects caused by the painting process are as follows:

1. Sewage from oil and grease cleaning process;
2. Sewage from iron phosphate coating process;
3. Color residue;
4. Precipitate produced by the sewage treatment system;
5. Polluted air from combustion (Drying and color-baking rooms) namely carbon dioxide and color fume.

Environment Control

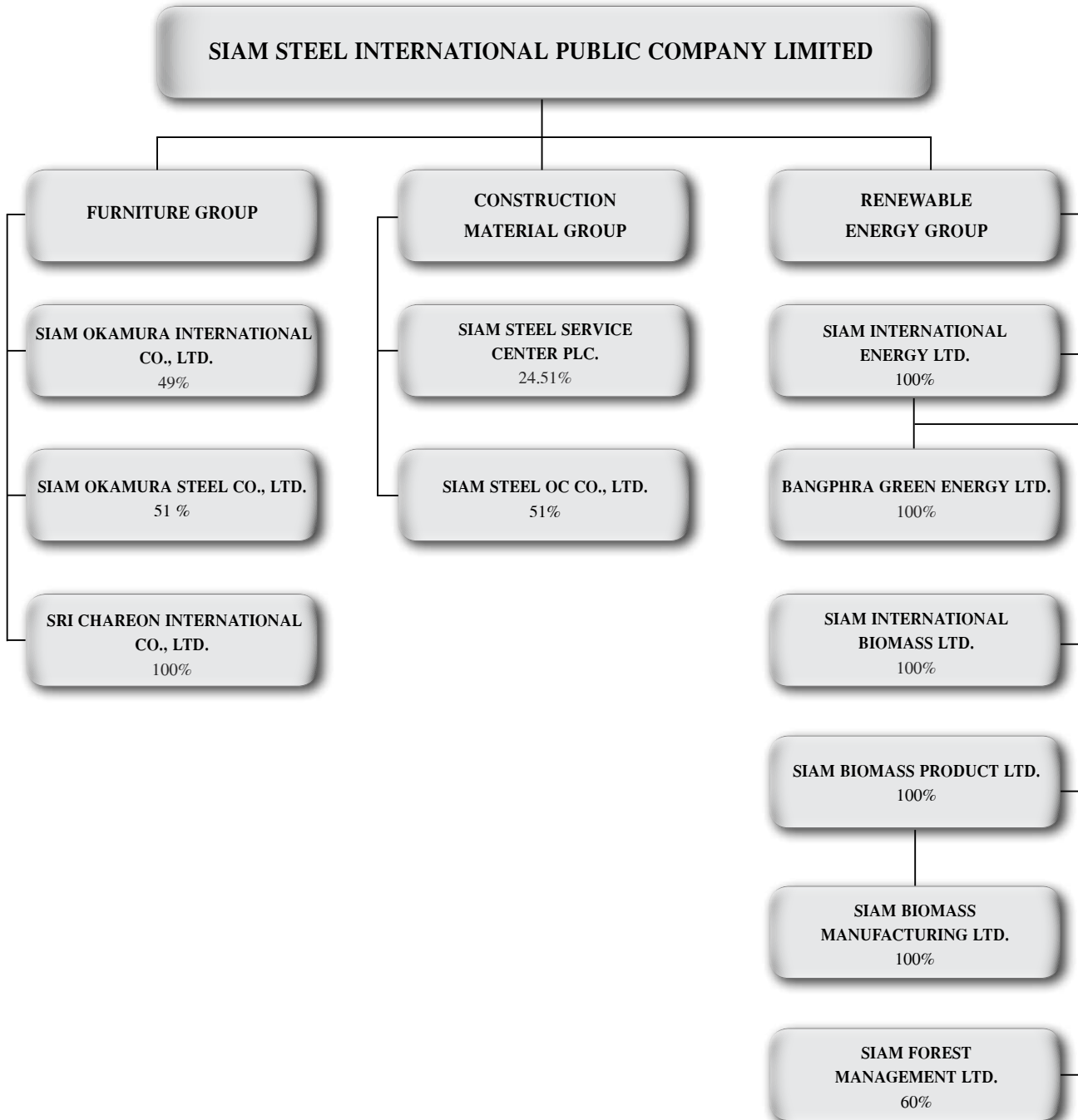
1. Sewage produced by the manufacturing process will be treated in the chemical treatment system having standard and control of the waste water value subject to the standard of the Department of Industrial Works.
2. Polluted air will enter into the Wet Scrubber system in order to be treated prior to release, there is the inspection plan of the fume and gas quantity in order to prevent the same from exceeding the standard values of the Department of Industrial Works and Pollution Control Department.
3. Color residue and precipitate from the treatment system which is industrial residue will be delivered to the other company approved by the Department of Industrial Works for treatment with the proper and safe process for human and environment.
4. Environment will be controlled by the lawful supervisor namely the supervisor of the treatment systems for water, air and industrial residue pollutions

Social and Environmental Disputes - In the previous year, no social and environmental disputes have arisen between the Company and other corporation.

Company's Shareholding Structures

Siam Steel International Public Company Limited has invested in a group of the following businesses:

Investment Structure of Siam Steel International Public Company Limited As at December 31, 2022



Each company will be managed by its own management team in accordance with the policy set by the Board of Directors of such company.

Shareholders

The first 10 major shareholders

No.	List of shareholders	As at December 30, 2022	
		No. of shareholding (s)	%
1.	Mr. Wanchai Kunanantakul Group		
1.1	Mr. Wanchai Kunanantakul	101,936,381	17.19
1.2	Mr. Surasak Kunanantakul	47,450,000	8.00
1.3	Mrs. Naphaporn Hoonthanasevee	47,450,000	8.00
1.4	Mr. Surapol Kunanantakul	47,450,000	8.00
1.5	Mrs. Nattaya Pongphundacha	47,450,000	8.00
1.6	Mr. Sittichai Kunanantakul	47,450,000	8.00
1.7	Mrs. Orachorn Kunanantakul	40,148,274	6.77
	Total Mr. Wanchai Kunanantakul Group	379,334,655	63.96
2.	Thai NVDR Company Limited	14,695,621	2.48
3.	Mr. Amnoui Vichayavilas	14,081,500	2.37
4.	Bangkok Bank Public Company Limited	12,043,809	2.03
5.	Mr. Wachira Thayanaraporn	12,000,000	2.02
6.	Mr. Wera Supharathit	8,000,000	1.35
7.	Mr. Theerarat Mungcharoen	7,657,600	1.29
8.	Mr. Kittipol Juangwattanont	6,030,000	1.02
9.	Mr. Tummarat Parkat	5,446,000	0.92
10.	Mrs. Weena Tiratrakulwichaya	3,900,000	0.66
11.	Others	129,936,664	21.91
	Total	593,125,849	100

Number of Registered Capital and Paid-up Capital

The Company currently has the registered capital of Baht 593,125,849, divided into 593,125,849 ordinary shares at a par value of Baht per 1 share. The Company's paid-up capital was Baht 593,125,849.

Issuing of Other Securities

-None-

Policy of Dividend Payment

The Company has a policy of paying dividends to shareholders at the rate of not lower than 40 percent of net profit of separate financial statements after tax and legal reserves, and such dividend payment does not significantly affect the Company's usual operation. In considering payment of dividend, operation results, financial status, work-expansion plan, etc. shall be taken into account. Moreover, such dividend payment must obtain an approval from the shareholders' meeting.

For the dividend payment policy of which will be provided by the subsidiary, it depends on the operating performances of the subsidiary and the resolution of the subsidiary's shareholders meeting year by year.

RISK MANAGEMENT

Risk Management Policy and Plan

- Prescribing the Company's overall risk management policy and framework covering significant risk factors, e.g. Strategic Risk, Operational Risk, Financial and Accounting Risk, Compliance Risk, Information System Risk, etc.k)
- Determining strategies in consistency with risk management policy, which can measure, monitor and maintain acceptable risk levels of the Company.
- Advocating and carrying forward for the cooperation in operation of the Company's overall risk management, and reviewing the adequacy of the risk management policy and system, which includes the system's effectiveness as well as the implementation of the prescribed policy.
- Organizing to systematically and continuously evaluate and analyse damage that may incur both in normal and crisis circumstances, to ensure that the risk survey covers the whole business operation processes.
- Supporting and developing the risk management throughout the organization in conformity with the international standard.
- Regularly reporting the Board of Directors regarding areas to be improved in accordance with the prescribed policy and strategies.

Risk Factors of Company's Business Operation

Procurement of Raw Materials

Quantity of Raw Material The Company might encounter risk on shortage of steel as raw material. However, as the Company had long operational experiences in the steel industry for over 69 years, This makes the Company's having contacting networks with raw material suppliers. Currently, the Company procures local high quality of raw material steel and imports small volume from abroad. From the past year's operation, the Company has never experienced in raw material shortage.

With the Company's raw material management plan with ISO 9001 quality system, the Company has systematic production plan, procurement plan, safety stock system and regularly research of raw material market in order to procure the material according to production plan.

Price of Raw Material There was no fluctuation of the prices of steel and raw material, which are used in the production process, in the past year. The Company did not set up any loss reserve for the decrease of the steel prices. However, the Company is very cautious and at all times uses its experience in procuring high quality raw material with reasonable prices, quantities and at appropriate times from various sources.

Risk of Foreign Exchange

Due to the fluctuation of currency exchange rate, it may affect the Company's business operation. With this regard, the Company is closely monitoring the movement of currency exchange rate and protecting this risk. For international market, selling price is set according to current currency exchange rate of current business transaction.

Distribution of Products

Because there are currently many competitors in the market, there may be a risk for the Company in distribution of the products However, the Company has continually increased the product distribution channel and developed new products for domestic and international markets which results in the Company's product acceptance and awareness. Therefore, there is very low risk in the product distribution aspect.

SUSTAINABILITY JOURNEY

Policy and Goal of Sustainability Management

The Board of Directors gives priority to good corporate governance in order to strengthen and enhance competitive performance and to build confidence with all groups of the stakeholders. The policy of corporate social responsibility (CSR) then are formed a part of the good corporate governance as guidelines for the Company's business operations with the corporate social responsibility, the occupational safety, health and environment including protection and preservation of the environment within the Company and surrounding community in order to maintain an environmentally friendly condition. (Details are shown on website www.siamsteel.com Chapter Investor Relation)

Policy on Corporate Social Responsibility

1. Manage and proceed with activities which emphasize business development and progress based on the corporate governance principles, compliance of laws, regulations, business ethics and other appropriate and efficient standards.
2. Carry out activities by adhering to protect the lawful benefits of all groups of stakeholders properly and efficiently.
3. Support and encourage community development whether in economic, social and environmental fields on sustainable basis and within the Company's proficiency.
4. Encourage and cultivate knowledge, understanding and conscience in the importance of the corporate social responsibility in the employees as well as other persons participating in the Company's business operation.
5. Encourage activities in the field of corporate social responsibility by continuously developing as well as improving the activities and disseminating them to the public.

Policy on Occupational Safety, Health and Environment

1. Perform works according to the occupational safety, health and environment management systems based on ISO 14001, ISO 45001 standards and in compliance with the terms of laws, rules, regulations, conditions and other requirements relating to the Company's business operation.
2. Perform works based on the basis of systematic protection, avoidance and control of environmental effects which may occur as a result of Company's business operation whether in water, air, noise, garbage and waste including the improvement of safety standards and the removal dangers as a result of machines, tools, chemicals, electricity, dust, heat radiation, fire, working at high altitude, illness from work and other risky dangers.
3. Support energy conservation and consumption of natural resources to obtain maximum benefits and to conform to Energy Management Systems.
4. Encourage and cultivate knowledge and understanding, good conscience on the occupational safety, health and environment in the employees, contractors and other persons participating in the Company's business operation, moreover, to make them realize the importance of and strictly cooperate by performing work safely, in accordance with the occupational safety, health and environment as stipulated by the Company.
5. Support activities reducing risks and effects on occupational safety, health and environment to be carried on, developed and improved continuously and disseminating them to the public.

Policy on Energy Conservation

1. Energy conservation is a part of duties of the Company's operation.
2. Comply with laws and other requirements relating to energy conservation and management.
3. Encourage energy conservation and effective natural resource allocation to bring about maximum benefits subject to energy management methods.
4. Encourage activities based on energy conservation to be carried out with regards to feature and amount of energy consumed to be in line with practical goals and measures of energy conservation in order to reduce the energy using, as well as continuously observe and develop efficiency in the energy using.
5. Encourage, create and educate all of the Company's employees including other persons participating in the Company's business operation to make them understand the Company's policy on energy conservation. This is to bring about consciousness and understanding so that the policy on energy conservation can be applied in all working processes.
6. Disseminate the policies and activities reducing the energy consumption to the public, and provide corporation with all both governmental and private sectors in the energy conservation.

Operation

Good Corporate Governance

The Company gives priority to good corporate governance in order to increase transparency and to build confidence in its employees, customers, shareholders, stakeholders and overall societies including both domestic and foreign general investors by the adoption of Corporate Governance Policy and Code of Conduct and Business Ethics. Whereas, the directors, consultants, executives and all employees of the organization are required to strictly adhere to the Corporate Governance Policies (Details are shown in the topic of Corporate Governance). The Company has established 6 CSR Working Groups to supervise the works relating to CSR, consisting of executives from all divisions as follows:

1. Corporate Social Responsibility Working Group, having the Chairman presiding over it, having duties and responsibilities to set out, giving directions for operation including approving guidelines relating to the social responsibility;
2. Occupational Safety, Health and Environment Management System Committee (ISO 14001 & ISO 45001);
3. Quality Management System Committee (ISO 9001);
4. Energy Management Working Groups (ISO 50001);
5. Complaint Management Committee;
6. Welfare Committee

All 6 Working Groups shall review the progress and work performance according to plans for Corporate Social Responsibility (CSR) 4 times per year.

Fair Business Engagement (Details are shown in the topic of Corporate Governance Chapter No. 3 - Regard for Role of Stakeholders.)

Anti-corruption

The Company has specified anti-corruption issues against any conflict of interest, forbidding bribery or alluring offer or acceptance as prescribed in the Corporate Governance Policy and Code of Conduct and Business Ethics to which the directors and employees must strictly adhere. Furthermore, if the internal audit result shows any point which will incur risk in the said issues, the Audit Committee shall inform Administration Division to proceed with inspection and resolve the said problem. In addition, the Company has the preventive operation against being involved with any corruption as follows:

1. Let both internal and external interested persons inform or make a complaint concerning any offences against laws, ethics, incorrect financial statements or defective internal governing system to the Chairman of the Corporate Governance Committee, including describe the measure to protect the informer's rights from any violation.
2. The employees witnessing any violation or disobedience against the Code of Conduct and Business Ethics shall notify the Human Resources and General Affairs Department Manager for proceeding with the fact inspection. In case where any law violation is found, the result of fact inspection shall be informed to the Legal Department for proceeding with the further civil and/or criminal action. In the case where the essential ethics of the organization is violated, the petitioner shall report the said violation to the Company's Audit Committee. In this regard, the Company has adopted measures to protect the informer's rights against any violation.

In the previous fiscal year, no complaint relating to any corruption violating laws, ethics, incorrect financial statements or defective internal governing system was informed to the Company by any means.

Respect for Human Rights

The Company respects for the rights, freedom, human dignity and personal equality without any discrimination against racial, religious, sexual, senior, educational or physical and mental similitude and diversity of all employees, business partners or any other person who is relevant to the Company's business operation (Details are shown in the topic of Corporate Governance Chapter No.3 - Regard for Role of Stakeholders).

Fair Treatment to Labor

The Company recognizes that all of the employees are valuable resources and the essential factor which will bring success to the Company; therefore, the Company gives its priority to the personnel management and development and the good working atmosphere building by:

- Complying with the laws and other regulations relevant to the employees.
- Creating the human-resources management system establishing equality to all employees without any discrimination.
- Managing remuneration and welfare to achieve the level which is affordable and comparable with any other company in the same or similar business field.
- Developing personnel and knowledge transfer continuously in order to provide the personnel with the knowledge, abilities and skills which are necessary to rapidly and effectively cope with any changeable situation.
- Providing any proper welfare to the employees in order to encourage them in working.
- Supporting any works for the employees' environment, health and safety.

(Details are shown in the topic of Corporate Governance Chapter No.3 - Regard for Role of Stakeholders and on the website www.siamsteel.com in the chapter of the Investor Relation.)

Responsibility for Consumers and Corporation for Community and Society Development

(Details are shown in the topic of Corporate Governance Chapter No.3 - Regard for Role of Stakeholders.)

Environmental Management

The Company has set the environmental policies for the purpose of managing and developing the environmental quality both in the factory and the surrounding areas starting from material, manufacturing process and package selections by considering the effect to the environment, providing the environmental management which strictly conform to environmental laws or regulations so that the Company is certified the environmental management standard ISO 14001 by the Bureau Veritas Quality International (BVQI) and the Green Label by the Thailand Environment Institute.

1. Raw material

The majority of raw materials in the manufacturing process is steel produced in domestic part and imported from overseas depends on the qualities and prices. In the steel cutting process, the steel scraps are produced; however, they will be used in the other process for their maximum application namely being transformed into the smaller pieces which are the component of the steel product. The residue which cannot be transformed will be sold for being recycled and stored under control and correct managing plan causing no effect to the environment.

2. Press Line

The steel part cut from steel coil will enter the press line process producing by the pressing machine using hydraulic oil. The pressing machine will be maintained in order to prevent any hydraulic oil leakage, which has the proper management and storage plan causing no effect to the environment, and the used hydraulic oil will be sold for being recycled.

3. Spot and Welding Process

The effects caused by spot and welding process, e.g. heat, fume and combustion gas namely carbon dioxide, carbon monoxide or metallic fume, will be controlled by the installation of the Wet Scrubber in order to protect the environment from any effect. There is also a plan for inspection of fume and gas quantity in order to prevent the same from exceeding the standard values of the Department of Industrial Works and Pollution Control Department.

4. Painting Process

The effects caused by the painting process are as follows:

1. Sewage from oil and grease cleaning process;
2. Sewage from iron phosphate coating process;
3. Color residue;
4. Precipitate produced by the sewage treatment system;
5. Polluted air from combustion (Drying and color-baking rooms) namely carbon dioxide and color fume.

Environment Control

1. Sewage produced by the manufacturing process will be treated in the chemical treatment system having standard and control of the waste water value subject to the standard of the Department of Industrial Works.
2. Polluted air will enter into the Wet Scrubber system in order to be treated prior to release, there is the inspection plan of the fume and gas quantity in order to prevent the same from exceeding the standard values of the Department of Industrial Works and Pollution Control Department.
3. Color residue and precipitate from the treatment system which is industrial residue will be delivered to the other company approved by the Department of Industrial Works for treatment with the proper and safe process for human and environment.
4. Environment will be controlled by the lawful supervisor namely the supervisor of the treatment systems for water, air and industrial residue pollutions.

Social and Environmental Disputes - In the previous year, no social and environmental disputes have arisen between the Company and other corporation.

MANAGEMENT'S DISCUSSION AND ANALYSIS

1. FINANCIAL PERFORMANCE FOR THE PERIODS FROM 1 JANUARY 2022 to 31 DECEMBER 2022 AND FOR THE PERIODS FROM 1 JANUARY 2021 to 31 DECEMBER 2021 *

(Unit : million baht)

	1 Jan-31 Dec. 2022	1 Jan-31 Dec. 2021	Change (%)
<u>FINANCIAL PERFORMANCE</u>			
Total revenues from sales & services	1,919	1,737	10
Other income	88	92	-4
Equity in net income of associated companies	66	57	16
Total costs	1,689	1,484	14
Selling & administrative expenses	433	400	8
Financial costs	4	4	0
Income tax	0	(3)	-100
Non - controlling interests in subsidiaries	1	6	83
Gross profit	230	253	-9
Profit before financial costs, and income tax	(49)	2	-2,550
Net profit (loss)	(54)	(5)	980
Profit (Loss) per share (Baht/Share)	(0.09)	(0.01)	980

* Consolidated Financial Statement

Analysis of Overall Operating Results

For the fiscal year ended December 31, 2022, the consolidated financial statements of the Company presented total revenues amounting to 1,919 million baht, increased by 182 million baht or increased 10 percent from the previous year. Such change resulted from the increase in sales volume of domestic construction service, renewable energy business and Flood Protection Wall group. This year the Company still has the action plan of human resources development in marketing and production, as well as increasing new products to response the customer's requirements to increase sales volume, including to expand investment in renewable energy business continuously in order to generate stable income in the future. Even with the effect of COVID-19 situation at the beginning of the year 2022, the Company believe that the revenues will be increasing.

Total Revenues

For the fiscal year ended December 31, 2022, the consolidated financial statements of the Company's presented total revenues amounting to 1,919 million baht, increased by 182 million baht or increased 10 percent. This was mainly resulted from the increase of domestic construction services, renewable energy business and Flood Protection Wall group. Total revenues in this year consisted of the following income:

- Revenues from sales of furniture, "LUCKY" Hi-tech Building System and flood protection wall, it was 1,759 million baht in total, increased by 116 million baht or increased 7 percent from the previous year.
- Revenues from renewable energy groups, it was 53 million baht, increased by 49 million baht or increased 1,225 percent from the previous year.
- Revenues from domestic construction services of this year, the Company had four projects amounting to 107 million baht, increased by 17 million baht or increased 19 percent from the previous year.

Other Income

The consolidated financial statements of the Company for the 1-year period ending at December 31, 2022 presented other income decreased from the previous year by 4 million baht, or 4 percent. Other income in this year were mainly from dividends and rents which is the same income group as the previous year.

Cost of Sales and Expenses

- The consolidated financial statements of the Company presented total cost of sales for the 1-year period ending at December 31, 2022 amounting to 1,689 million baht, increased by 205 million baht or increased 14 percent from the previous year. The ratio of total cost of sales to total revenue for the year 2022 and the year 2021 was 88 percent and 85 percent, respectively. The increase of sales cost resulting from the total revenue increase and raw material (steel) cost is turning high at the beginning of this year.

- The consolidated financial statements of the Company presented selling and administrative expenses for 1-year period ending at December 31, 2022 amounting to 433 million baht, increased by 33 million baht or increased 8 percent from the previous year. This mostly resulted from increasing of promotional expenses, repair cost and fixed asset depreciation. The ratio of selling and administrative expenses to total revenues for the year 2022 and the year 2021 was equal rate at 23 percent.

- The consolidated financial statements of the Company presented finance cost for the 1-year period ending at December 31, 2022 amounting to 4 million baht which same as the previous year. This was resulted from the loan interest of subsidiaries and indirect subsidiaries of company for operation.

Profit in Associated Companies on Equity Method

The consolidated financial statements of the Company for the 1-year period ending at December 31, 2022 presented the profit in associated companies on equity method amounting to 66 million baht, increased by 9 million baht or increased 16 percent from the previous year.

Gross Profit

The consolidated financial statements of the Company for the 1-year period ending at December 31, 2022 presented gross profit amounting to 230 million baht, decreased by 23 million baht or decreased 9 percent from the previous year. The gross profit ratio for the 1-year period ending at December 31, 2022 and year 2021 was 12 percent and 15 percent, respectively. This was mostly resulted from the product groups which high cost of sales have increased revenue and raw material (steel) cost is turning high at the beginning of this year.

Equity in non - Controlling Interests in Subsidiaries

The consolidated financial statements of the Company for the 1-year period ending at December 31, 2022 presented the Equity in non - controlling interests in subsidiaries amounting to 1 million baht which different 5 million baht or 83 percent from the previous year.

Net Profit (Loss)

The consolidated financial statements of the Company for the 1-year period ending at December 31, 2022 presented net loss amounting to 54 million baht, and net loss amounting to 5 million baht for the year 2021. Net loss of this year increased from the previous year by 49 million baht or increased 980 percent. This resulted from the increasing of selling cost and selling and administrative expenses for this year. For the ratio of net profit (loss) for the 1-year period ending at December 31, 2022, the ratio of net loss was 2.81 percent and in 2021, the ratio of net loss was 0.29 percent.

2. FINANCIAL POSITION AS AT 31 DECEMBER 2022 AND AS AT 31 DECEMBER 2021 *

(Unit : million baht)

		As at 31 Dec. 2022	As at 31 Dec. 2021	Change (%)
<u>FINANCIAL POSITION</u>				
Total assets		3,491	3,538	-1
Total liabilities		698	695	0
Shareholders' equity		2,793	2,843	-2
Current ratio	(times)	1.80	1.83	-2
Quick ratio	(times)	0.89	0.88	1
Interest coverage ratio	(times)	(13.15)	(0.98)	1,242
Debt-Equity ratio	(times)	0.25	0.24	4

* Consolidated Financial Statemen

Analysis of the Financial Position of the Company and its Subsidiaries as at December 31, 2022 and December 31, 2021

Total Assets

As at December 31, 2022, the consolidated financial statements of the Company present total assets amounting to 3,491 million baht, decreased by 47 million baht from the end of December 31, 2021. This was mainly from the net inventories and Property, plant and equipment.

The structure of Total assets presented in the consolidated financial statements of the Company as at the end of this year consist of cash and cash equivalents 8 percent, trade accounts receivable 6 percent, net inventories 9 percent, other current assets 5 percent, investments in associated companies and other companies 29 percent, Property, plant and equipment 40 percent and other non-current assets 3 percent. Whereby the structure of total assets at the end of previous year consists of cash and cash equivalents 7 percent, trade accounts receivable 6 percent, net inventories 10 percent and other current assets 4 percent, investments in associated companies and other companies 27 percent, property, plant and equipment 43 percent and other non-current assets 3 percent.

- Cash and cash equivalents at the end of year 2022 was 280 million baht, increased from the end of previous year by 30 million baht, as follow:
 - Cash used for operating activities was 34 million baht. This was mostly from the increasing of the other general company current receivables and repayment of general company trade payable and liabilities caused by contracts of Flood Protection Wall group.
 - Cash from investing activities was 44 million baht. This was mostly gained from dividend.
 - Cash from financing activities was 20 million baht. This was mostly gained from short-term loan from related companies.

- Trade accounts receivable at the end of year 2022 was 207 million baht, decreased from the end of the previous year 12 million baht. The balance of trade accounts receivable at the end of year 2022 of which separated as 90 percent of current accounts receivable, 9 percent of account receivable with less than 3-month-overdue and 1 percent of account receivable with over 3-month-overdue. However, the Company and its subsidiaries have monitored closely for the debts collection. The company consider the possibility of receiving the payment of debt. In addition, in the case of some debtors being in the process of collection, the Company provide the appropriate proceed to record the allowance for doubtful accounts. At the end of this year, balance of allowance for doubtful account was 5 million baht. Receivable turnover rate at the end of year 2022 was 9.01 times and at the end of the previous year was 7.84 times. Average debt collection at the end of year 2022 was 41 days and at the end of the previous year was 47 days. Receivable turnover was increased and average debt collection period was decreased because the average of revenue at the end of this year was increased and the average balance of receivable was decreased.
- Inventories balance at the end of year 2022 was 310 million baht, decreased by 40 million baht or decreased 11 percent from the end of the previous year. This is mostly decreased from furniture group. The inventory turnover rate at the end of year 2022 was 5.12 times, and was 5.01 times at the end of the previous year. The increasing from the previous year was due to increased sales.
- Other current assets as of the end of year 2022 was 184 million baht, increased by 29 million baht or 19 percent from the previous year. This increase was mainly resulted from deferred income from construction service and advance payment for product purchasing.
- Investments at the end of year 2022 were 1,006 million baht, increased by 44 million baht or 5 percent from the end of the previous year. This was resulted from the recognition of profit sharing under the equity method of associated company this year and the price adjustment of investments in other companies.
- Property, plant and equipment - net as at the end of year 2022 was 1,406 million baht, decreased by 106 million baht or 7 percent from the end of the previous year. Most assets were property, plant and equipment in furniture business and renewable energy business of building and machines in Surat Thani and Uthai Thani province that gradually decreased from depreciation.

Total liabilities

- As at the end of this year, the consolidated financial statements of the Company presented total liabilities of 698 million baht, increased by 3 million baht or 0 percent from the previous year. This increase was mostly from short-term loan of related companies.
- As at the end of this year, short-term loan from financial institution was 63 million baht, decreased by 2 million baht or 3 percent from the previous year. Most are the promissory note of the subsidiary company for the operation and has partially payment.
- As at the end of this year, short-term loan from related companies was 101 million baht, increased by 50 million baht or increased 98 percent from the previous year. Most are loans of companies in the renewable energy business group which was an indirect subsidiary of the company, loans from related companies to spend in the business.
- As at the end of this year, other current liabilities were 178 million baht, decreased by 17 million baht or 9 percent from the previous year. This was mostly caused by liabilities arising from the advance payment of bathroom pods business group.

-
- As at the end of this year, long-term loan from financial institution was no balance. This was caused by the repayment of the indirect subsidiary of the Company for long term loan from financial institution. The remaining balance is due within 1 year by 10 million baht.
 - As at the end of this year, other non-current liabilities were 105 million baht, decreased by 4 million baht or decreased 4 percent from the previous year. This was mainly resulted from the recognition of the liabilities according to the lease agreement of car and land for operation, deferred tax liabilities and retention creditors that are not yet due.

Shareholders' equity

As at the end of this year, the consolidated financial statements of the Company presented the shareholders' equity of 2,793 million baht, as at the end of the previous year was 2,843 million baht, decreased by 50 million baht from the previous year. This was caused by the turnover of group of companies has the net loss and dividend payment in this year.

Book value as at the end of this year was 4.71 baht per share, the end of the previous year 4.79 baht per share, decreased by 0.08 baht per share from the previous year.

3. FINANCIAL STATISTICS AND FINANCIAL RATIOS *

(Unit : million baht)

ITEMS		2022	2021	2020
		1 Jan.-31 Dec. 2022	1 Jan.-31 Dec. 2021	1 Jan.-31 Dec. 2020
<u>LIQUIDITY RATIO</u>				
Current ratio	(Times)	1.80	1.83	1.98
Quick ratio	(Times)	0.89	0.88	1.18
Cash Cycle	(Days)	53.00	48.00	45.49
<u>PROFITABILITY RATIO</u>				
Gross profit margin	(%)	11.97	14.59	19.93
Profit (loss) from operations	(%)	(5.99)	(3.17)	8.05
Net profit (loss)	(%)	(2.83)	(0.29)	8.85
Return on total assets	(%)	(1.54)	(0.14)	3.46
Return on equity	(%)	(1.92)	(0.18)	5.41
Sales growth	(%)	10.45	(0.17)	(16.14)
Cost of sales	(%)	88.03	85.41	80.07
Selling and administrative expenses	(%)	22.57	23.04	30.78
<u>INFORMATION OF SHARE</u>				
Par value	(Baht/Share)	1	1	1
Book value	(Baht/Share)	4.71	4.79	4.83
Profit (Loss) per share	(Baht)	(0.09)	(0.01)	0.26
<u>EFFICIENCY RATIO</u>				
Receivable turnover	(Times)	9.00	7.85	7.02
Receivable Conversion Period (RCP)	(Days)	41	47	52
Payable turnover	(Times)	6.16	5.13	5.46
Payable Conversion Period (PCP)	(Days)	59	71	67
Inventory turnover	(Times)	5.12	5.02	6.04
Inventory Conversion Period (ICP)	(Days)	71	73	60
Current asset turnover	(Times)	1.96	1.64	1.30
Non-current asset turnover	(Times)	1.32	1.14	0.80
Total asset turnover	(Times)	0.55	0.48	0.39
<u>FINANCIAL POLICY RATIO</u>				
Debt to total asset ratio	(Times)	0.20	0.20	0.22
Total asset to equity ratio	(Times)	1.25	1.24	1.28
Debt ratio	(Times)	0.25	0.24	0.28
Interest coverage ratio	(Times)	(13.15)	(0.98)	9.33

* Consolidated Financial Statement

Liquidity and Significant Financial Ratios

Liquidity of the consolidated financial statement of the Company as at the end of this year, the Company held cash amounting to 280 million baht, 250 million baht at the end of the previous year. Cash flow increased by 30 million baht, this was related to:

- Cash flow used for operating activities was 34 million baht. This was mostly resulted from increasing of repayment of other general company current receivables amounting to 31 million baht and payment of general company account payables amounting to 19 million baht and liabilities caused by contracts of Flood Protection Wall group amounting to 17 million baht.
- Cash flow gained from investing activities was 44 million baht. This was mostly gained from dividend amounting to 61 million baht.
- Cash flow gained from financing activities was 20 million baht which gained in short-term loans from related companies amounting to 53 million baht.

The current ratio was decreased from 1.83 times as at the end of the previous year to 1.80 times as at the end of this year. The quick ratio as at the end of the previous year was equivalent 0.88 times, increased 0.89 times as at the end of this year. However, both ratios represented positive favorable liquidity of the Company and its subsidiaries.

In consideration of the ability for the debt repayment as at the end of this year and the end of the previous year, the Company and its subsidiaries still maintained good ability for debt payment. Considering from the debt-to-equity ratio, showing the figure at the end of this year was equivalent to 0.25 times, increased from the end of the previous year 0.01 times.

OTHERS FACTORS AFFECTING INVESTMENT DECISION

- **SUBSEQUENT EVENT TO THE DATE OF CONSOLIDATED FINANCIAL STATEMENT**

On February 27, 2023, the Company's Board of Directors passed a resolution to propose the payment of a dividend from operating result for the year ended December 31, 2022 of Baht 0.03 per share, total amount of Baht 17.79 million on May 25, 2023 to the common shareholders. The dividend payments must be approved at the Annual General Meeting of the Company's shareholders.

On January 4, 2023, the meeting of the board of directors had a resolution to establish a subsidiary which consists of manufacturing business and selling finished building and related goods, including construction business. The Company invested at 99.99 percent in total Baht 13,999,930.

- **CONTINGENT LIABILITIES AND OBLIGATIONS**

As at December 31, 2022, the Company has outstanding guarantees of approximately Baht 129.03 million which were issued by certain local banks as required in the normal course of business of the Company.

As at December 31, 2022, the subsidiary companies have outstanding guarantees of approximately Baht 2.55 million which were issued by certain customers as required in the normal course of business of the subsidiary companies.

As at December 31, 2022, the Group has various operating lease agreement, vehicles and computer service fee for periods of 1-3 years. Under the terms of these agreements, the Group are committed to pay the rental as follows :

	In Thousand Baht	
	Consolidated Financial Statements	Separate Financial Statements
Within 1 year	533	312
Within 2 years - 5 years	624	624

In July 2022, the subsidiary entered into a financial lease agreement with a company for the solar roof installation of about Baht 28.89 million. It was expected to finish the installation and was effective under the hire-purchase agreement on April 13, 2023, with 5 year lease period.

GENERAL INFORMATION AND OTHER IMPORTANT INFORMATION

Company's name	:	Siam Steel International Public Company Limited "SIAM"
Established	:	B.E.1953
Listed on the Stock Exchange	:	December 27, 1993
Type of Business	:	Manufacturer and seller of "LUCKY" "KINGDOM" "SIAMSTEEL" "OKAMURA" "CHITOSE" "PILOT" and "ITO" furniture and "LUCKY" Building System: the prefabricated building system, Bathroom Pods and Water Stop Panel (WSP)
Head Office And		
Factory 1	Location	: 51 Moo 2, Poochao Rd., Bangyaparak, Phrapradaeng, Samutprakarn 10130, Thailand
Factory 2	Location	: 51/7 Moo 18, Poochao Rd., Bangyaparak, Phrapradaeng, Samutprakarn 10130, Thailand
Factory 3	Location	: 51/8 Moo 18, Poochao Rd., Bangyaparak, Phrapradaeng, Samutprakarn 10130, Thailand
Factory 4	Location	: 51/12 Moo 18, Poochao Rd., Bangyaparak, Phrapradaeng, Samutprakarn 10130, Thailand
Registration Number	:	0107536001664
Registered Capital	:	593,125,849 Baht
Paid-up capital	:	593,125,849 Baht
Type of shares	:	593,125,849 common shares
Shares Value	:	1 Baht per share
Website	:	www.siamsteel.com
E-mail	:	center@siamsteel.com
Tel.	:	+66 2384 2876, 2384 3000, 2384 3040
Fax.	:	+66 2384 2330

Company' shares in Subsidiary and Associated company

Subsidiary Companies

1. Siam Okamura Steel Co., Ltd.

Registered date	: March 3, 1988
Nature of business	: Manufacture and distribution of OA furniture systems for mainly exportation.
Office location	: 51/5 Moo 2, Poochao Rd., Bangyaparak, Phrapradaeng, Samutprakarn 10130, Thailand Tel. + 66 2384 0075, 2394 4631, 2394 4247 Fax. + 66 2384 0076
Registered Capital	: 88,000,000 Baht
Type of shares	: 880,000 common shares
Share value	: 100 Baht per share
Number of shares hold by the Company	: 448,794 shares
Percentage equity stake	: 51

2. Sri Chareon International Co., Ltd.

Registered date	: May 17, 1996
Nature of business	: Distribution of office furniture and furniture parts
Office location	: 64 Moo 18, Bangyaparak, Phrapradaeng, Samutprakarn 10130, Thailand Tel. + 66 2722 5680-81 Fax. + 66 2722 5684
Registered Capital	: 14,000,000 Baht
Type of shares	: 1,400,000 common shares
Share value	: 10 Baht per share
Number of shares hold by the Company	: 1,399,993 shares
Percentage equity stake	: 100

3. Siam Steel OC Co., Ltd.

Registered date	: May 3, 2013
Nature of business	: Supply of the following products to the customers within Thailand and the countries in ASEAN:- <ul style="list-style-type: none">- Prefabricated building- Partitions and related products- Industrial parts and related products
Office location	: 51 Moo 2, Poochaosamingprai Road, Bangyaparak, Phrapradaeng, Samutprakarn 10130, Thailand Tel. + 66 2384 2876 Fax. + 66 2384 2330
Registered Capital	: 20,000,000 Baht
Type of shares	: 200,000 common shares
Share value	: 100 Baht per share
Number of shares hold by the Company	: 101,997 shares
Percentage equity stake	: 51

4. Siam International Energy Ltd. (SIE)

Registered date	: January 4, 2016
Nature of business	: Investment in business of renewable energy business in various forms and other
Office location	: 51 Moo 2, Poochaosamingprai Road, Bangyaparak, Phrapradaeng, Samutprakarn 10130, Thailand Tel. + 66 2384 2876 Fax. + 66 2384 2330
Registered Capital	: 160,000,000 Baht
Type of shares	: 16,000,000 common shares
Share value	: 10 Baht per share
Number of shares hold by the Company	: 15,999,997 shares
Percentage equity stake	: 100

Indirect Subsidiary Companies

1. Bangphra Green Energy Ltd.

Registered date	: September 7, 2015
Nature of business	: Production and distribution power plants of all types and investment in business of renewable energy business in various forms
Office location	: 51 Moo 2, Poochaosamingprai Road, Bangyaprak, Phrapradaeng, Samutprakarn 10130, Thailand Tel. + 66 2384 2876 Fax. + 66 2384 2330
Registered Capital	: 2,500,000 Baht
Type of shares	: 250,000 common shares
Share value	: 10 Baht per share
Number of shares	: 249,998 shares
hold by SIE	
Percentage equity stake	: 100

2. Siam Biomass Product Ltd. (SBP)

Registered date	: March 24, 2016
Nature of business	: Production and distribution power plants of all types and investment in business of renewable energy buy production and distribution biomass, garbage and the other use for fuel
Office location	: 51 Moo 2, Poochaosamingprai Road, Bangyaprak, Phrapradaeng, Samutprakarn 10130, Thailand Tel. + 66 2384 2876 Fax. + 66 2384 2330
Registered Capital	: 100,000,000 Baht
Type of shares	: 10,000,000 common shares
Share value	: 10 Baht per share
Number of shares	: 9,999,997 shares
hold by SIE	
Percentage equity stake	: 100

3. Siam International Biomass Ltd.

Registered date	: March 24, 2016
Nature of business	: Production and distribution power plants of all types and investment in business of renewable energy buy production and distribution biomass, garbage and the other use for fuel
Office location	: 51 Moo 2, Poochaosamingprai Road, Bangyaparak, Phrapradaeng, Samutprakarn 10130, Thailand Tel. + 66 2384 2876 Fax. + 66 2384 2330
Registered Capital	: 1,000,000 Baht
Type of shares	: 100,000 common shares
Share value	: 10 Baht per share
Number of shares	: 99,997 shares
hold by SIE	
Percentage equity stake	: 100

4. Siam Forest Management Ltd.

Registered date	: June 3, 2016
Nature of business	: Dealing the business of forestry, wood and forest plantation, to provide, to do and planting all kinds of tree to obtain raw material for renewable energy. To produce, trade, exchange or others in related to the natural resources, natural energy and other energy for both in raw materials, semi-finished products and finished products
Office location	: 51 Moo 2, Poochaosamingprai Road, Bangyaparak, Phrapradaeng, Samutprakarn 10130, Thailand Tel. + 66 2384 2876 Fax. + 66 2384 2330
Registered Capital	: 20,000,000 Baht
Type of shares	: 2,000,000 common shares
Share value	: 10 Baht per share
Number of shares	: 1,199,997 shares
hold by SIE	
Percentage equity stake	: 60

5. Siam Biomass Manufacturing Ltd.

Registered date : December 16, 2016

Nature of business : Production and distribution power plants of all types and investment in business of renewable energy buy production and distribution biomass, garbage and the other use for fuel

Office location : 51 Moo 2, Poochaosamingprai Road, Bangyaparak, Phrapradaeng, Samutprakarn 10130, Thailand

Tel. + 66 2384 2876

Fax. + 66 2384 2330

Registered Capital : 100,000,000 Baht

Type of shares : 10,000,000 common shares

Share value : 10 Baht per share

Number of shares : 9,999,997 shares

hold by SBP

Percentage equity stake : 100

Associated Companies

1. Siam Okamura International Co., Ltd.

Registered date	: March 20, 1996
Nature of business	: Distribution of office furniture and public interior furniture
Head Office location	: 3199 Maleenont Tower, 19 th Floor, Rama 4 Rd., Klongton, Klongtoey, Bangkok 10110, Thailand Tel. + 66 2661 5474-9, 2661 5505-8 Fax. + 66 2661 5261-62
Branch	: 700/2 Moo 1, Klongtamru, Muangchonburi, Chonburi 20000, Thailand Tel. + 66 3845 7135 Fax. + 66 3845 7133
Registered Capital	: 20,000,000 Baht
Type of shares	: 200,000 common shares
Share value	: 100 Baht per share
Number of shares	: 97,993 shares
hold by the Company	
Percentage equity stake	: 49

2. Siam Steel Service Center Public Company Limited

Registered date : September 30, 1985

Listed on the Stock : June 8, 1994

Exchange

Nature of business : Manufacture and distribution of primary steel parts for various industries, namely automobile, furniture, electrical appliances and electronic, and construction, etc.

Head Office and

Factory 1 Location : 51/3 Moo 2, Poochao Rd., Bangyaparak, Phrapradaeng, Samutprakarn 10130, Thailand

Tel. + 66 2754 5865-7, 2754 5986-8, 2385 9251-2, 2385 9258-66

Fax. + 66 2385 9241, 2385 9253

Factory 2 Location : 51/11 Moo 3, Poochao Rd., Bangyaparak, Phrapradaeng, Samutprakarn 10130, Thailand

Tel. + 66 2394 7841-9, 2755 9694-8

Fax. + 66 2385 9243, 2385 9274, 2755 9904-5

Factory 3 Location : 60/6 Moo 3, Mabyangporn, Pluakdaeng, Rayong 21140, Thailand

Tel. + 66 3889 1175-8, 3889 1751-4

Fax. + 66 3889 1179

Registered Capital : 639,999,880 Baht

Paid-up capital : 639,997,880 Baht

Type of shares : 639,999,880 common shares

Share value : 1 Baht per share

Number of shares hold : 156,856,000 shares

by the Company

Percentage equity stake : 24.51

OTHER REFERENCES

Company Registrar

Thailand Securities Depository Co., Ltd.
The Stock Exchange of Thailand Building, 14th Floor,
93 Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400
Tel. + 66 2009 9000
Fax. + 66 2009 9991

Auditor

Miss Wannisa Ngambuathong CPA License No.6838 and/or
Miss Chutinant Kopraserthaworn CPA License No.9201 and/or
Miss Chotima Kitsirakorn CPA License No.7318
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178 Dharmniti Building 6-7th Floor, Soi Pemsap (Prachachuen 20), Prachachuen Rd., Bangsue, Bangkok 10800, Thailand
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Internal Audit

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Legal Advisory

Mr. Sukaset Wongjittapok
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Tel. +66 2384 2876, 2384 3000, 2384 3040
Fax.+66 2384 2330

Legal Dispute

The Company and its subsidiaries, at present, have no unfinished lawsuits or disputes which negatively affect the Company or its subsidiaries assets or significantly affect the Company business operation.

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE POLICY

The Company's Corporate Governance Policy has been reviewed and approved by the Company's Board of Director. The Company, at present, is carrying out the revised policy, no. 6. (The detail is presented on Company's website, www.siamsteel.com, on Corporate Governance, under a topic "Investor Relation".)

Overview of Corporate Governance Policies and Practices

The Board of Directors realizes the importance of operating an efficient organization and intends to encourage the Company to be diligent in its business operations and have good corporate governance and management which emphasizes creating benefits for shareholders and taking care of the interests of investors. This is achieved by conducting an ethical, transparent, and auditable business operation to inspire confidence in its shareholders investors and all relevant persons. (Details of which are provided in the Company's website: www.siamsteel.com at Investor Relations page, subject: Corporate Governance). The principle practices in year 2022 are divided into 5 categories in accordance with the good corporate governance, as follows:

Chapter 1-2 The rights of Shareholders and equitable treatment of Shareholders

The Company always gives priority to the rights of shareholders and the equity of all shareholders whether it be the basic legal rights, the right to profit sharing from the Company, the right to attend the shareholders' meeting, the right to express one's opinions, the right to mutually make decisions on the Company's important subjects. Moreover, the Company has provided the shareholders with the right to propose meeting agenda, to nominate person or persons to assume directorship, and to raise agenda matters in advance. The Company also provides information under the topic of "Investor Relations" via the Company's website www.siamsteel.com as summarized as follows:

1. Notification of information in invitation letter to Shareholders Meeting. Date, time, place and agenda together with all information related to subjects for decision-making in the meeting will be specified in the invitation letter for acknowledgement of the shareholders. Facts and reasons together with the Board of Directors' opinion will be presented in each agenda for shareholders' decision-making. Furthermore, the shareholders who cannot attend the meeting in person can give a proxy to other persons to attend the meeting on their behalf. There are 3 standard types of proxy forms that shareholders can use upon the shareholder's purposes.

2. An invitation letter to Shareholders Meeting and relevant documents will be produced in Thai and English (for foreign shareholders) and sent to the shareholders for information in advance of at least 14 days prior to the meeting date. The Company will also disseminate the same via SET's news in advance of not less than 1 month so that the shareholders can study the mentioned information, the same as serviced to the shareholders in written form, via the Company's website.

3. Giving the Shareholders an opportunity to propose the meeting agenda and to nominate the qualified persons for election as directors in advance within the stipulated period. The notification is made via the SET's news and the shareholders can study the information via the Company's website. Furthermore, such information has completely provided criteria, methods including periods of the mentioned agenda proposing.

4. Guidelines for Shareholders' Meeting. The Company has stipulated the guidelines for Shareholders' Meeting as follows:

- Fixing the meeting date not to fall on any day of those 3 consecutive bank holidays or public holidays, and set the meeting time that is convenient to the shareholders' to attend.
- Using criteria of Record Date to enable shareholders to have more time to study the meeting documents.
- Closing the share register book for 2 times; one is closing for the right of the shareholders to attend the meeting and the other for the right to receive dividends. This is for the purpose of maintaining the rights of the shareholders to choose whether to hold shares for receiving the dividends or not.
- Arranging sufficient and appropriate number of officers to facilitate the meeting during the 2 hours registration time for attending the meeting and preparing stamp duties for proxies free of charge.
- In order to give convenience to our shareholders, the Company has arranged the service of car for our shareholders at BTS Pu Chao Station or other suitable places.
- In the case where shareholders cannot attend the meeting in person, the proxies can be given to any person or independent directors. Two independent directors are arranged to be appointed as the designated proxies of the shareholders.
- Prior to convening the meeting, the Chairman of the meeting or the Company Secretary shall clarify rules of the meeting and voting procedures to the shareholders.
- Voting by Barcode system by using ballot in every agenda. In order to be in compliance with good practices of holding shareholders' meeting, there shall be a collection of ballots from all Shareholders and their Proxies attending such meeting being adjourned. Thus pertaining to the voting to appoint of a Director(s), there shall be individually appointed for each Director and a Voting Inspector shall be provided therein, being volunteered by a Shareholder.
- Minutes of every shareholders meeting shall contain the fundamental matters as follows:
 - Opening time and closing time of the meeting
 - Numbers of shareholders who attend the meeting and total amount of shares held by the attending shareholders.
 - Lists of directors who attend the meeting and lists of directors who fail to attend the meeting and the reasons for absence.
 - Specify the number of directors and the percentage of directors who attended the meeting.
 - Summaries of important questions and clarifications given in each agenda.
 - Summaries of voting results in each agenda together with the number of affirming, opposing abstaining votes and voided ballot.
 - During the meeting, there shall be no sudden dissemination of documents in which having important information, no additional agenda items or change of important information differs from what has been submitted to the shareholders. Shareholders who attend the meeting after its opening shall retain their rights to vote on agenda matters that have not already been resolved.
 - The minutes will be made correctly, completely and publicized via the Company's website enabling shareholder's examination.

5. Prevention measures against Directors, Executives and employees from improper use of internal information for their own benefits or for the benefit of the others. The Board of Directors has set the principles and codes of conducts in good corporate governance policies in writing. (Details are shown in the topic of Use of Internal Information.)

6. Disclosure of the Company's shareholding structure in clear, transparent and auditable ways (Details are shown in the topic of shareholding structure and management.)

Chapter 3 - Consideration on the role of stakeholders

The Company has realized the rights of various stakeholders and endeavor to ensure the confidence to stakeholders which include shareholders, employees, executives, customers, business partners, suppliers, creditors and public as appropriate and two-way communication openly and fairly via various communication channels, as well as arranging the collaboration between various group of stakeholders in the role and functions for the stability of the Company and to fairly meet the interests of all parties. The guideline for the stakeholders have been shown in the Code of Conduct of the Company.

1. Shareholders

- The Company will report conditions and tendencies of the Company's business in the future to the shareholders on an equal basis and in compliance with the Securities and Exchange Act B.E. 2535
- The shareholders' meeting will be held by the Company taking into account of the equity of all shareholders. The Company will refrain from any action considered as limitation of the Company's data and information access and limitation of meeting attendance of the shareholders.
- The Chairman in the meeting will allocate an appropriate time to encourage all shareholders to express their opinions equally.
- After the meeting has ended, the Company will prepare the correct and complete minutes of shareholders' meeting.
- The shareholders' data and information will be kept confidential as though so doing for its own data and information.

2. Customers

- The Company is determined to ensure the customers are completely satisfied with the products by delivering products having qualities compatible with the customer's needs, and is determined to provide the customers with services wholeheartedly, at full capacity, equally and fairly;
- Disclose the complete, accurate and true information concerning its products;
- Strictly comply with the terms and conditions of the agreements. If any terms and conditions cannot be complied with, notification will be made to the customers in advance for mutual consideration and resolution;
- Provide a clear and effective communication channel that develops the customers' understanding including giving advice and support to the customers, listening to problems and promptly trying to search for causes and solutions for the customers.

3. Business Partners, Competitors and Creditors

- The Company will not commit an act of defamation against the competitors by making allegations without substantial evidence.
- The Company will not search for confidential information of the competitors in dishonest ways.
- The Company will comply with good conduct in trade competition;
- The Company will support and promote the free trade, justified, no monopoly, The Company will do not specify any conditions for customers to have trading only with the company;
- The Company will support and coordinate with the competitors to provide the consumer's benefit, do not monopolize the revenue allocation and the market share, do not decrease the quality of products or services which may cause any disadvantage to consumers;
- The Company will provide relationship and treat to the creditors with honesty and mutual trust;
- The Company will provide the responsibility, concern and doing the best for any conditions that entered with the creditors;

4. Employees

The Company is well aware that all employees are valuable assets and are important factors in the overall accomplishments of the Company. Therefore, importance is given on personnel administration and development as well as creating good working atmosphere by:

- Complying with the applicable laws and rules related to employees;
- Providing a human resource administration system which gives equal opportunities to all employees without discrimination;
- To arrange for a constant assessment of the employees' performance and progress;
- To manage an arrangement for remuneration and welfare to be in the Company's monetary capacity level and to the comparative level of the same or similar business; to plan for growth in the working line, arrange for welfare to serve the employees' need to raise their good spirits and morale, such as, provident fund, employee uniforms, shuttle buses and supporting funds, etc.
- To arrange for human resource development and transfer knowledge through various channels in succession in order to improve the employees' knowledge, capability and skill as necessary so that they will be efficient to adjust themselves through any rapid changes.
- To arrange for proper welfare to reinforce the employees' spirits and morale such as Siam Steel Group Credit Union, emergency loan, welfare funds for member, and general loan, special rate of savings for non-member.
- To promote the work in respect of the environment, health and safety of the employees.

5. Government Sector

The Company is determined to maintain good relationship and cooperate with the government sectors within appropriate scope.

6. Community and Society

- As a member of the society and community, the Company realizes that it has the responsibility to provide cooperation and support of social development on sustainable basis whether in environment, safety, education and social stability by giving importance on community participation especially giving consideration of community impacts which may occur due to any Company's activity.
- Supporting and providing assistance which is appropriate to the community and society especially in the surrounding areas of the Company.
- Place emphasis on providing assistance in the development of the quality of life in a sustainable basis whether in occupation, sanitary and good local tradition as well as providing educational support for children and providing social service activities.
- Using natural resources, material, or equipment efficiently and effectively by taking into consideration of the impact on environment and the quality of people's lives.
- Encouraging the efficient energy consumption and conservation.
- Raising conscious mind in the employees on social responsibility towards society and environment.

7. Conflict of Interest

To prevent the conflict of interest between personal's interest and the Company's interest during business operation, employees have to avoid any action or situation which may cause the conflict of interest as under :-

1. Employees who are overseeing any transaction of the Company is required to abide by the rules of the Company at the same standard. They should not introduce or persuade enterprises that employees or family members of employees are the owners or shareholders to enter into such transactions
2. Employees must not engage in any business which competes with the Company or same kind of business as the Company, and not being the director, partnership, management or getting benefit from competitor.
3. Employees must perform their duties in full time working with their best effort, without exploitation of working time to do any business which is unrelated to the interest of the Company.
4. Prohibiting employees to use information from their responsibility for their own benefit, as well as to avoid the involvement in any activities that may cause to the conflict of interest of the Company.
5. Do not spend any budget, personnel, equipment, or assets of the Company for personal interest which is incorrect as its objective.

8. Procurement

The Company is engrossed in arranging the justified procurement, lease and engagement without discrimination on race or discrimination against size of business of suppliers and is determined to encourage the use of goods or material made in Thailand by

1. Evaluating the suppliers or service providers from qualities, prices, quantities and management capacities;
2. Communicating with the Company's goods/service suppliers honestly and equally;
3. Complying with the manual of working procedures concerning recruitment, selection and evaluation of sub-contractors taking into consideration of the Company's overall benefit;

4. Giving opportunity for competition among the traders, as the case may be, by taking into consideration of fairness and strict confidentiality treatment as well as not using any information for their own benefits or for any other irrelevant persons;

5. Prohibiting the employees responsible for procurement, leasing or engagement to deal with the party with whom they are having personal involvement, such as, being the family members, relatives, owners or partners.

6. Providing transparent and accurate operation system development whose methods can be continuously adjusted and is compatible with change of the trading business technology.

9. Reinforcement of Anti-corruption

The Company anticipates the business operation and activities to be in line with fair competition and good governance in a strict and efficient way with the following guidelines.

1. Reinforcement of the creation of employees' mindfulness, value and attitude in performing work honestly, transparently, and punctually and to respect the laws, rules and regulations including reinforcing their consciousness in anti-corruption to be the organization culture as well as the management in good corporate governance principles.

2. Reinforcement of the activities arranged by the working units for anti-corruption purposes.

3. No omission or neglect upon learning of any act which is likely to be a corrupt act but to notify the superior or any responsible person of such act and give cooperation in any examination thereof.

4. Offer or receipt of any gifts, souvenirs or anything of value which is not unaccustomed or entertaining any person involving the business in a reasonable, proportionate, ethical or traditional way to maintain the good relationship is acceptable and shall be in accordance with the following.

- The employees and/or their family members shall not ask for gifts, souvenirs, assets or any benefits from business partners or any interested persons.
- The employees who are authorized by their superiors or the Company to assist or participate in any activity with other organizations may receive gifts or souvenirs in compliance with the rules or criteria prescribed by such organizations.
- If it is necessary to receive any gift, souvenir or any benefit which has unaccustomed value and whether it is for a private, personal or organizational relationship purpose, notification of such receipt shall be made to their immediate superior. If the immediate superior considers it is proper to be the Company's property, the said gift, souvenir or benefit shall be delivered to the Company.
- Offer or receipt of any gifts, souvenirs or benefits between the superior and the subordinate should be made in all sincerity and cultural norm.

Training and Communication

The Company held the training session for every new employee to be educated in terms of anti-corruption measures, policies and guidelines. The Company also set the information bulletin to publicize the anti-corruption guidelines.

The information about anti-corruption measures was compiled in the staff manual and business ethics which were published and distributed to the employees.

Risk Assessment

The Company has always focused on the anti-corruption measures and abided thereby. The Company conducted the risk assessment on business operation while taking the risk factors, effects, chances, severity, and risk levels into consideration to seek suitable measures for prevention or control of risk and identifying the person responsible for such risk.

Neither report nor wrongdoing in terms of corruption was found in 2022.

10. The use of Information Technology

The Company aims to have employees to use information technology in every system to work efficiently with sufficient safety standard. Nevertheless, the introduction of information technology into operation, employees must take into account as under:-

1. The information technology used in the Company must support the activities of the Company, not for personal benefit.
2. Information owner department and MIS department have to find a way to protect the systems and important information from the unauthorized access or the information theft or the destroy of information.
3. Prohibit employees from using electronic data or information technology inappropriate and immoral which could cause the Company's information technology systems and data damaged.
4. Prohibit employees to take the intellectual property of the Company to reproduce, modify, or do any other action for personal or others' benefit.
5. The Company reserves the right to hold information technology system that has been developed within the Company as the assets of the Company.

11. Keeping confidentiality of Information

The Company considers that information which is important to the business operation has to be kept confidential. The information owner department and other related departments have to provide appropriate measures to keep such information in order not to cause damage to the business and reputation of the Company and also does not violate the privacy rights of employees. The guidelines are as follows:

1. The internal information related to the trading or transfer of securities issued by the Company must be kept confidentially and cannot disclose to any person or use for personal benefit before such information has been released to the public domain.
2. Information related to the Company's business operations, such as commercial contract, product design drawing, production formulation, etc. have to be kept confidentially. They are not allowed to disclose to any other persons unless such disclosure is required by the law or for the benefits of management of the Company, however it must be approved by the Company.
3. Employee's resume and record have to be kept confidentially and does not allow to disclose to the others unless such disclosure is required by the law or for the benefit of management of the Company. However, it has to be approved by Human Resources & General Affairs Department Manager only.
4. The Company considers that employees who have disclosed the important information and news of the Company to outside prior getting approval from the Company has to be treated under the disciplinary measures of the Company.

12. International Business

In the international business, the Company has respected the international rules and laws, as well as culture, tradition and history of business partner, and also respect the differences in nationality, religion, and do not have racial discrimination.

13. Notification or Complaint

- Any interested person in or outside of the organization may notify or make a complaint about the act which is contrary to the law and ethics, an inaccurate report of the finance or a fault of the internal control system to the Chairman of the Corporate Governance Committee who arranges for measurement of the protection of such notification or complaint and conclude the Committee's consideration for submission to the Board of Directors for a decision in this matter as they may deem appropriate.

- An employee who experiences an act of violation or an act of non-compliance with the organization ethics may submit a complaint to the Human Resources and General Affairs Department Manager, and give cooperation in investigation of the matter. With regard to an illegal act, an investigation result will be reported to the Legal Department for pursuing a civil or criminal lawsuit accordingly. In case of violation of the major issue of the Code of Conduct, the person in charge is required to report such issue to the audit Committee of the Company. In addition, the Company has set up a measure to protect the whistle-blower.

- The measure of protection to the complainant or the whistle-blower.

In order to make the complainant trust and confidence in the investigative process that is fair and to treat all stakeholders fairly and equally including to protect the whistle-blower or complainant, the Company has provided channels for whistle-blowing, complaints, comments or suggestions that stakeholders affected or might be affected, causing damage to all the stakeholders due to the business operations of the Company or from the misconduct of the Company's employees against the law, regulations or Code of Conduct including behavior that may indicate a fraud, unfair or negligence as follows :

1. Whistle-blower or complaint will get the right of protection equally, whether employees or third parties
2. Whistle-blower or complaint can choose not to disclose the name, address or phone number unless the disclosure will enable the Company to report the progress or to ask for additional information or to explain the facts to the whistle-blower or complainant or to mitigate damages easily and more quickly.

3. The Company will disclose the information as needed by considering the safety of the whistle-blower or complainant or the source of information or persons involved.

4. Those who have suffered damage should be protected from being harassed during the investigation and after investigation. The damage will be mitigated with a proper and fair process.

5. Punishment will be in accordance with the rules & regulations of the Company or the related laws. In case the Company can contact the whistle-blowers or the complainants, it will inform the result of investigation in writing to them.

Whistle-blowing Channels

The Company's Board set up the channels for whistle-blowing of illegal activities or wrongdoings of corruption or business ethics or any alleged corruption or misconduct of the Company's personnel, or harassment; which can be made by employees or any interested party. Such actions can be submitted through the following channels:

For Third Party / Interested Party:

- 1st Channel: **Mail** A letter should be addressed to the Chairman of the corporate governance committee at:
Siam Steel International Plc.
51 Moo 2 Poochaosamingprai Road, Bangyaparak,
Phrapradaeng, Samutprakarn Province 10130.
- 2nd Channel: **Website** www.siamsteel.com and navigate to the whistle-blowing channel, your submission will be directed to the Independent Director and the Chairman of the Corporate Government Committee.

For Employee:

- 1st Channel: **Email** To nattamon@siamsteel.com
(Human Resources & General Affairs Department Manager)
- 2nd Channel: **Telephone** At number 02-384 3000 ext. 2390
(Human Resources & General Affairs Department Manager)

14. Reinforcement of Non-infringement of intellectual property, copyright or patent

The Company respects other persons' rights in intellectual property by not committing an infringement or supporting an act of infringing the intellectual property rights and copyright of other persons. The Company respects and complies with the law on intellectual property with the policy and guidelines for practicing as follows:

1. Encouraging and valuing the development and creation of intellectual property including the copyright or patent of works.
2. Reinforcing and participating in the activity of preventing and protecting an act of infringement of the intellectual property rights.
3. Prescribing an act of infringement of the intellectual property rights as a serious offence which is subject to penalty according to the work rules and regulations and relevant law.

15. To abide by the principles of human rights

1. Respect the personal rights and freedoms

The Company will protect personal rights and freedoms of the employers. The disclosure of personal information such as, biography, health record, work record or other information, to other person may cause damage to such employee, unless such disclosure is in good faith or required by the laws or for the benefit of the majority

2. Treat equally

The Company will treat any person by respecting the human dignity and equality. It does not discriminate because of differences in race, nationality, religion, gender or identity, age, education and physical or mental condition.

3. Political freedom

The Company respects the rights and freedom in the political rights of employees, such as the rights to vote or join a political party. The Company will be politically neutral and will not violate or support any political party.

4. Threat and harassment

The Company promotes a work-environment where having the mutual respect to each other; among entire staff, between supervisors and subordinates, between employees and visitors or customers, and also support good relationships among each other, without threat or harassment against each other either verbal or improper gestures.

5. Avoid situation that may get into the risk of human rights

The Company will work with awareness and caution to avoid the situation that may get into the risk of human rights.

Chapter 4 - Disclosure and Transparency

The Company gives precedence to the disclosure of the Company's information, both financial and non-financial information, in a factual, complete, sufficient, timely, transparent, accessible, equitable and reliable manner as follows:

1. Disclosure of the Company's information, form 56-1 One Report and news are made through SET's channel and the Company's website. Whereas, in the past year, the Company never had any action taken against it by SEC or SET on the grounds of non-compliance with their requirements regarding disclosure of information.

2. The Company's arrangement for the responsible person for the disclosure of information, namely, the Securities Compliance and SET's and Investors Relations' Coordination Section to be its representatives in communicating and providing the Company's news of activities and information to the institutions, investors, shareholders, analysts, people and government sectors. In the year 2022, the Company opens the opportunity to meet the analysts and also to respond to their questions through telephone or email periodically. The Company has also arranged for disclosure of the Company's information, the operation results, financial statements, reports, both current and past, that are to be submitted to SEC including reports on the results of the Management Discussion and Analysis (MD&A) on both quarterly and annual basis, Code of Conduct and Business Ethics, Company's Articles of Association and CSR-DIW Report in the subject of "Investors Relations" which are in Thai and English languages. Any person who is interested in such information may read or download the information from www.siamsteel.com Such information will be updated regularly.

If the investors and any related persons have any queries, please contact the Compliance and Investors Relations' Section.

- Mr. Phichet Kimsin
Tel. (02)384 2876 ext. 2381 or
Email: piched@furnituresystem.com

Remarks: Mr. Phichet Kimsin has been appointed to be a Company secretary by the Company's Board of Directors No. 3/2022, effective from August 11, 2022.

3. The Company's Management Structure. The Company's management structure consists of Board of Directors and 4 Subcommittees, namely, Audit Committee, Nomination and Remuneration Committee, Corporate Governance Committee and Risk Management Committee. The details of number of meeting times and each attendance for the year 2022 are as follows:

Attendance / Meeting (Time)

Name	(BOD)	(AC)	(NRC)	(CGC)	(RMC)
1. Mr. Wanchai Kunanantakul	3/4	-	-	-	-
2. Mr. Manu Leopairote	4/4	4/4	2/2	-	4/4
3. Mr. Supong Chayutsahakij	4/4	4/4	-	2/2	4/4
4. Mr. Lec Sicoravit	4/4	4/4	2/2	-	4/4
5. Mr. Sakthip Krairiksh	4/4	4/4	2/2	2/2	-
6. Dr. Boonwa Thampitakkul	4/4	4/4	-	2/2	4/4
7. Mrs. Orachorn Kunanantakul	4/4	-	-	-	-
8. Mr. Surasak Kunanantakul	4/4	-	-	-	-
9. Mr. Surapol Kunanantakul	4/4	-	-	-	-
10. Mrs. Naphaporn Hoonthanasevee	4/4	-	-	-	-
11. Mr. Sittichai Kunanantakul	4/4	-	-	-	-

4. The Company has defined the scopes, authorities and duties of the Board of Directors and Subcommittees as per the details shown in the topic of Corporate Governance Structure.

5. Report of Securities Trading. The Board of Directors sets the policies for the Directors and Executives to submit copy of evidence of the change of their securities holdings to the Company Secretary every time such change shall occur. The Company Secretary has the duty to disclose the report of the updated securities holdings to the Board of Directors for acknowledgement at every meeting. As such, there has been no such case that the Company's Directors and Executives improperly used inside information for their personal interest or for other persons' benefits. (Details are shown in topic of Use of Internal Information).

Directors' Shareholding in the Company as at December 30, 2022

List of Directors	No. of shareholding (s)		Number of Shares increase (decrease) during the year (shares)	Remarks
	Dec. 30, 2022	Dec. 30, 2021		
1. Mr. Wanchai Kunanantakul	101,936,381	101,936,381	-	husband of the 7 th , father of the 8 th - 11 th
2. Mr. Manu Leoparote	-	-	-	
3. Mr. Supong Chayutsahakij	-	-	-	
4. Mr. Lec Sicoravit	-	-	-	
5. Mr. Sakthip Krairiksh	-	-	-	
6. Dr. Boonwa Thampitakkul	2,108	2,108	-	
7. Mrs. Orachorn Kunanantakul	40,148,274	4,877,769	35,270,505	wife of the 1 st , mother of the 8 th -11 th
8. Mr. Surasak Kunanantakul	47,450,000	1,110,897	46,339,103	child of the 1 st and 7 th
9. Mr. Surapol Kunanantakul	47,450,000	98,015,033	(50,565,033)	child of the 1 st and 7 th
10. Mrs. Naphaporn Hoonthanasavee	47,450,000	46	47,449,954	child of the 1 st and 7 th
11. Mr. Sittichai Kunanantakul	47,450,000	-	47,450,000	child of the 1 st and 7 th

Executives' Shareholding in the Company as at December 30, 2022

List of Executives	No. of shareholding (s)		Number of Shares increase (decrease) during the year (shares)	Remarks
	Dec. 30, 2022	Dec. 30, 2021		
1. Mr. Wanchai Kunanantakul	101,936,381	101,936,381	-	father of the 2 nd - 4 th
2. Mr. Surasak Kunanantakul	47,450,000	1,110,897	46,399,103	child of the 1 st
3. Mr. Surapol Kunanantakul	47,450,000	98,015,033	(50,565,033)	child of the 1 st
4. Mrs. Naphaporn Hoonthanasavee	47,450,000	46	47,449,954	child of the 1 st

6. Criteria on the Interest of Directors and Executives Report are as follows:

- The first report to be submitted within 15 days as from the date of the Board's resolution approving to be the Company's Directors or Executives.
- The report of information change to be submitted within 30 days as from the date of such change.
- The succeeding report to be submitted every calendar year within 30 days as from the date of the end of December.

Chapter 5 - Responsibilities of the Board of Directors

The Company gives precedence to the Board of Directors' performing of their roles, duties, and responsibilities in maintaining the Company's benefits, and for the transparency and to create confidence to the employees, customers, Company's shareholders, stakeholders, and public society as well as investors both within and outside Thailand.

The significant principles in year 2022 are as follows:

1. Setting Out the Policies of the Good Corporate Governance and the Code of Conduct and Business Ethics in Writing, and Review Them on an Annual Basis. The directors, sub-directors, advisors, executives and all employees must strictly adhere to the Policy and the Code of Conduct and Business Ethics as practical guidelines. All employees in all levels will be given knowledge and support in such implementation. It also emphasizes making new employees aware of the Company's rules and regulations from the first day of joining the Company. These will be produced as a printed handbook and given to all new employees. The supervisor shall give advice on the implementation of such rules and regulations. In the case where any person fails to comply with the forgoing Policy or the Code of Conduct and Business Ethics, it shall be deemed as a disciplinary offence. The penalty shall be in accordance with the Company's Work Rules and Regulations which are warning, suspension and termination of employment respectively.

2. Setting Out the Risk Policy and Framework of Risk Management in Writing. The Risk Management Committee shall be assigned to assess the efficiency of the internal control system, provide the internal control system to ensure that the Company's operation is under the framework of the least risk management, which is acceptable, lawful and in compliance with relating rules and monitor the efficiency of the internal control system to be in compliance with the acceptable standards such as The Committee of Sponsoring Organization (COSO).

3. Setting Out the Vision, Missions, and Long-Term Strategic Goals, and Review Them Every 5 Years as follows:

Vision

To be a world class innovative leader in providing fully integrated solutions for global demand which aims to enhance sustainable living.

Missions

- To be the top - of - mine brand for customers
- To be long-term trusted partner
- Excellence in design, manufacturing and services by world class quality
- Environmental sustainability to enhance green living

Long-Term Strategic Goals

- Stable financial statement with constant and sustainable growth.
- Efficient management structure.
- Qualified persons.
- Meeting the expectation of stakeholders.

Values

Passion	:	Be enthusiastic and motivated
Collaboration	:	Be open and supportive
Ownership	:	Be accountable and take initiative
Integrity	:	Be honest and transparent
Innovation	:	Be creative and think “outside of the box”

4. Policy of Holding Office of the Directors of the Company. According to the Company’s Articles of Association, at every Annual Ordinary General Meeting, one-third (1/3) of the directors shall be retired. If the numbers are not a multiple of three, then the numbers nearest to one-third of all directors must retire from office. Therefore, the term of the office of directors shall not exceed 3 years.

5. Setting Out the Policy of Holding Office of the Top Executive. According to the Company’s regulations, the Chairman shall hold office of the Chairman of the listed companies and their subsidiaries for no greater than 5 companies. For certain independence in performing the duties of the Company’s Subcommittees, the Chairman shall not be the director of any such Subcommittee.

6. Policy of Holding Office of Directors in Other Companies. At present, there is no regulation regarding the director’s holding office in other companies as it is considered that as long as the director can entirely devote his/her time for the Company’s business, such as, setting out of the Company’s policies and advising on the business conduct problems, in the capacity of the directors and such director’s holding office in other companies does not affect the Company.

7. Structure of the Directors consists of Board of Directors and 4 Subcommittees, namely Audit Committee, Nomination and Remuneration Committee, Corporate Governance Committee, and Risk Management Committee. For transparency and independence in duty performance, all members in the Subcommittees shall be independent directors. The Board of Directors structure consists of persons having knowledge, ability, experience in industry, accounting, finance, and have academic qualifications for the benefits of the Company’s business. (The details of the Board of Directors structure are shown in the topic of Corporate Governance Structure).

8. Internal Auditor Appointment The Company has hired Riskless Solutions Co., Ltd. as its internal auditor to audit any department’s performance to be in compliance with the approved annual auditing plan, as well as to give advice, to monitor the results of improving, and to report the internal auditing results to the Audit Committee directly. Mr. Phichet Kimsin, the accounting senior manager, is responsible for supervising and supporting the operation of the internal auditor.

According to the internal auditing report for the year 2022 prepared by Riskless Solutions Co., Ltd., no significant mistake was found. The Company’s internal control is adequate. The Company’s business conduct is completely in compliance with the regulations and laws of the government agencies

9. Conflict of Interests (Details are shown in the topic of Insider Information).

10. Arrangement of Board of Directors' and Subcommittees' Meetings. The Company has formally scheduled the meetings for the Board of Directors and 4 Subcommittees in advance every year. In year 2022, the Board held 4 meetings. In each meeting, the Chairman, Board and Secretary jointly reviewed agendas to ensure that important matters would fully be taken into consideration during such meeting. Each Director can independently propose any matter he/she considers important to the meeting. Supporting documents for the meeting with completed and adequate content for making decisions would be sent to each Director at least 7 days in advance so that the directors would have adequate time for reading before attending the meeting.

Each Board of Directors' Meeting normally takes not less than 2 hours.

Half of all directors will constitute quorum.

The minutes of Board of Directors' Meeting consists of subject matters namely date, starting and ending time of the meeting, lists of attending and absent directors, summary of subject matters of the considered agenda and the Board's resolutions of such agenda. The minutes of the Board of Directors' Meeting will be well kept by the Company and can be easily searched whist it cannot be corrected without the resolutions of the Board of Directors' Meeting.

The Board of Directors has established the policy to offer the opportunity to non-executive directors to have independent meetings at least once a year in order to consider the Company's management and corporate governance.

11. Determination of Policy and Rules for Remuneration of the Directors. In each year, the Administration Division shall propose the remuneration of the Directors to the Nomination and Remuneration Committee to consider the reasonable remuneration whereas it is compared with those of other companies in the same business. Such remuneration shall be proposed to the Board of Directors for reconsideration before further proposing to the Shareholders' Meeting for approval.

12. Performance Evaluation of the Chairman, Board of Directors and Subcommittees. The performance evaluation of the Chairman, Board of Directors and 4 Subcommittees shall be conducted at least once a year for the purpose that each Director shall have the opportunity to review his/her works, issues and obstacles during the previous year, which would enable his/her performance to be more effective.

The evaluation is created on the basis of guidelines for evaluation proposed by the Stock Exchange of Thailand. However, it is improved to be suit for the Company's operation and in accordance with the charter. The criteria are as follows:

<u>Scores</u>	<u>Level</u>
5	Very Good
4-4.99	Good
3-3.99	Standard
2-2.99	Average
1-1.99	Poor

Performance Evaluation of the Chairman

The performance of the Chairman has been evaluated by the Board of Directors, considering from:

- 1) Leadership
- 2) Strategy Formulation
- 3) Complying with strategies
- 4) Financial planning and performance
- 5) Relationship with the Board
- 6) Relationship with outside
- 7) Administration and relationship with personnel
- 8) Knowledge of products and services
- 9) Personal qualifications

The result of the performance evaluation of the Chairman of the fiscal year 2022 was at the average score of 4.77 from 5, which was in the good level.

Performance Evaluation of the Board of Directors has been done individually whereas the results of self-evaluation and performance evaluation of the Board are summarized as follows:

Individual Performance Evaluation	Performance Evaluation of the Board
<p>It shall be considered from:</p> <ol style="list-style-type: none"> 1) Qualifications of the Director 2) Roles, duties and responsibilities of the Director 3) Performing duties of the Director 4) Relationship with the Management Division 5) Self-development of the Director and executive development 	<p>It shall be considered from:</p> <ol style="list-style-type: none"> 1) Structure and qualifications of the Board 2) Roles, duties and responsibilities of the Board 3) The Board of Directors' Meeting 4) Performing duties of the Board 5) Relationship with the Management Division 6) Self-development of the Board and executive development
<p>The result of individual performance evaluation was at the average scores of 4.71 from 5, which was in the good level.</p>	<p>The result of performance evaluation of the Board was at the average scores of 4.75 from 5, which was in the good level.</p>

Performance Evaluation of 4 Subcommittees, namely Audit Committee, Nomination and Remuneration Committee, Corporate Governance Committee and Risk Management Committee, has been done by self-evaluation considering from:

- 1) Structure and qualifications
- 2) Roles, duties and responsibilities
- 3) Meeting
- 4) Duty performance
- 5) Relationship with the management division
- 6) Self-development

Summary of results of performance evaluation of 4 Subcommittees in the year 2022:

Subcommittees	Results of Performance Evaluation of Subcommittee
1. Audit Committee	Average scores of 5 from 5, which was in the Very good level
2. Nomination and Remuneration Committee	Average scores of 5 from 5, which was in the Very good level.
3. Corporate Governance Committee	Average scores of 5 from 5, which was in the very good level.
4. Risk Management Committee	Average scores of 4.99 from 5, which was in the good level.

13. Knowledge Development of Directors

The Company realizes and gives importance on the development of the directors' knowledge. Therefore, it is defined in the policies of corporate governance in writing as follows:

- Every new director shall be given advice on the overall perspective of the Company's operation, organization structure, procedure, rules, regulations, important policies and code of conduct for directors in accordance with the rules of the Stock Exchange of Thailand and Security and Exchange Commission, Thailand.
- Every director shall be encouraged and supported to enter the training on the directors' roles and duties, and other courses enlarging knowledge and being useful for performing duties of directors whereas the Company shall be responsible for all expenses.
- Every director has entered the training with Thai Institute of Directors.

According to the severe widespread of Coronavirus 2019 (COVID-19) including to prevent the spread of virus and control the risk from this infection, there is no directors to attend the training in 2022

14. Roles, Duties and Scope of Responsibilities of the Company Secretary (Details are shown in the topic of Corporate Governance Structure).

Business Ethics

The company's business ethics are shown on the company's website, www.siamsteel.com under a topic "Investor Relations" on corporate governance (in essence).

The Company complies with the Corporate Governance Policy, revised version no. 6, approved by the Board of Directors. Such policy has been revised according to latest revised Corporate Governance Principles of Thai Institute of Directors. (the details presented on the Company's website, www.siamsteel.com, under a topic "Investor Relations" on Corporate Governance.

Significant Change and Development on Policy, Practices and Corporate Governance Systems in the previous year

From the meeting of Corporate Governance Committee, the Committee considered CGR CHECKLIST to stipulate a plan for improvement. Also, reviewing the corporate governance policy (in essence). The Company complies with the Corporate Governance Policy, revised version no. 6 approved by the Board of Director. Such policy revised in accordance with the latest revised of Thai Institute of Director's Corporate Governance Principles. Thus, there is no the revision of significant policy (details presented on the Company's website, www.siamsteel.com, under the topic "Investor Relations" on Corporate Governance.)

Applying Good Corporate Governance Principles for Listed Companies in 2017 to apply to businesses.

The Board of Directors, as per the Corporate Governance Committee's review, has approved to apply the Principles of Code of Good Corporate Governance for Listed Companies 2017 of the Stock Exchange of Thailand and the Assessment Criteria of the Corporate Governance Report of Thai Listed Companies of the Thai Institute of Directors Association as guidelines for improvement of the Company's principles of good corporate governance to be suitable for its business operation. Having carefully scrutinized such Principles and Assessment Criteria for the best practice in conformity with the Company's rules and regulations, the Company has developed its policy on corporate governance once a year; (Details of which are provided in the Company's website: www.siamsteel.com at Investor Relations page, subject: Corporate Governance).

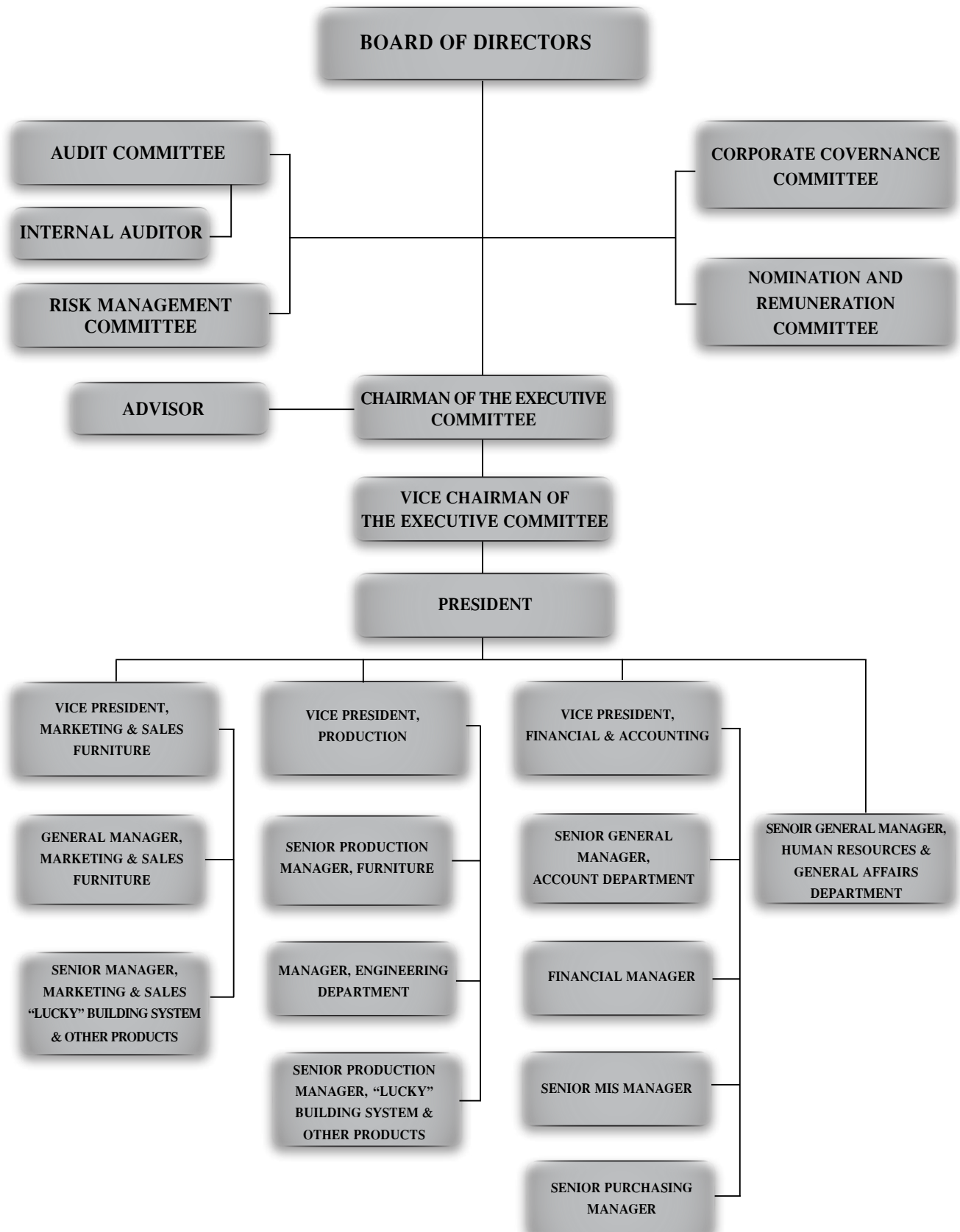
The Company has been assessed on its operation in various projects and received awards in 2022 as follows:

- CSR-DIW Continuous Award 2022 (Standard of Corporate Social Responsibility Department of Industrial Work: CSR-DIW) from the Department of Industrial Works, Ministry of Industry on August 24, 2022, for the 14th year, the Company received this award since 2009 consecutively.
- Received 100 scores, "Excellent" classified, assessment result on the quality holding of the Annual General Meeting of Shareholders for the year 2022 from Thai Investors Association.
- Received overall score, "Very Good" classified from assessment result of Corporate Governance Survey of Thai Listed Companies for the year 2022 by Thai Institute of Directors Association (IOD)

GOVERNANCE STRUCTURE

Governance Structure

As of December 31, 2022, the Company's Governance Structure is as follows;



Board of Directors

The Company's Articles of Association prescribe that the Company's Board of Directors shall consist of no less than 5 directors whereby the Board of Directors currently has 11 directors comprising:

- 4 executive directors;
- 2 non - executive directors;
- 5 independent directors

The Board of Directors consists of distinguished persons having knowledge, ability and experience useful for the Company as follows:

No.	Name	Position	Total Meetings Held/ Meeting Attendance (Time)	%
1.	Mr. Wanchai Kunanantakul	The Chairman	3/4	75
2.	Mr. Manu Leopairote	Independent Director	4/4	100
3.	Mr. Supong Chayutsahakij	Independent Director	4/4	100
4.	Mr. Lec Sicoravit	Independent Director	4/4	100
5.	Mr. Sakthip Krairiksh	Independent Director	4/4	100
6.	Dr. Boonwa Thampitakkul	Independent Director	4/4	100
7.	Mrs. Orachorn Kunanantakul	Director	4/4	100
8.	Mr. Surasak Kunanantakul	Director	4/4	100
9.	Mrs. Naphaporn Hoonthanasevee	Director	4/4	100
10.	Mr. Surapol Kunanantakul	Director	4/4	100
11.	Mr. Sittichai Kunanantakul	Director	4/4	100

Authorized Directors

There are 2 Group A Directors, which are Mr. Wanchai Kunanantakul Mrs. Naphaporn Hoonthanasevee.

There are 3 Group B Directors, which are Mr. Surasak Kunanantakul Mr. Surapol Kunanantakul Mr. Sittichai Kunanantakul. Any director from Group A Directors signs jointly with another director from Group B Directors with the Company's seal affixed.

The Board of Directors has appointed Mr. Pichet Kimsin as a Company Secretary in compliance with the Securities and Exchange Act (No. 4), 2008 and the Company's principles of good corporate governance, responsibility, caution, honesty, including complying with the law, objectives, Company regulations, Board Resolution and the resolutions of the Shareholders' Meeting which shall have main responsibilities as follows:

1. Providing initial advice to directors regarding provisions of relevant law, regulations and practices;
2. Being responsible for supervising the Company to comply with relevant laws, the Company's regulations, rules and principles of Good Corporate Governance;
3. Organizing the Shareholders' Meeting and Board of Directors Meeting as required by law and regulation and following up to ensure that they are carried out correctly and regularly;
4. Preparing and storing the Director registration, meeting notice, the minutes of meetings, Annual Report, Stakeholder Report as well as coordinating with related parties to ensure that the resolutions from the Board of Directors Meetings and the Shareholders Meetings are adhered efficiently;
5. Being responsible for disclosing the Company's information and reports in line with SET's and SEC's regulations and other relevant regulatory bodies;
6. Contacting and communicating with the Shareholders and relevant regulatory bodies, which the Shareholders are able to inquire or request any information at telephone no. (02) 384 2876 # 2381 or email: piched@furnituressystem.com
7. Supporting for the training courses and giving information available to performance of duties of a new director;
8. Executing any other duties as assigned by the Board of Directors

The Company Secretary has passed the training course in the Company Secretary Program Class 133/2022 of the Thai Institute of Directors Association (IOD).

Authority of Board of Directors

1. Directors are authorized to manage the Company in compliance with objectives, regulations and resolutions of shareholders' meeting.
2. The Board of Directors may authorize one or more directors or any party on their behalf.
3. The Board of Directors has to organize one meeting within three months at the Company's headquarter or at any branch offices or adjacent provinces.
4. The Board of Directors has to organize the ordinary meeting of shareholders within four months after the end of fiscal year, and call on the extraordinary shareholders' meeting any time upon proper grounds.

Subcommittees

The Board of Directors has appointed 4 subcommittees consisting of the directors who are knowledgeable and capable in several areas to assist in studying and scrutinizing details in accordance with their authorities as specified by the Board and all of them are independent directors, having details as follows:

1. Audit Committee

The Audit Committee consists of 5 independent directors serving 3 year term. All the members of the Audit Committee, as listed below, meet the qualifications as specified by the Securities and Exchange Commission and the Stock Exchange of Thailand.

No.	Name	Position
1.	Mr. Manu Leopairote	Chairman of the Audit Committee
2.	Mr. Spong Chayutsahakij	Member of the Audit Committee
3.	Mr. Lec Sicoravit	Member of the Audit Committee (Member who has knowledge, understanding and experience in the field of accounting and finance in auditing the Company's financial statements)
4.	Mr. Sakthip Krairiksh	Member of the Audit Committee
5.	Dr. Boonwa Thampitakkul	Member of the Audit Committee

Mr. Phichet Kimsin is the Secretary to the Audit Committee.

The Board of Directors has resolved to approve Charter of the Audit Committee in accordance with policies outlined by the SEC and SET, which is announced and effective from August 27, 2012. The Audit Committee's qualifications and responsibilities are specified as follows:

Qualifications of an Audit Committee

1. Being appointed by the Board of Directors or shareholders' meeting;
2. Every Audit Committee Member must be an independent director;
3. Not being a director assigned by the Board of Directors to make a decision on the business operation of the Company, subsidiary company, associated company or the juristic person with potential conflict of interest to the Company;
4. Not being a director of subsidiary company or associated company;
5. Having the duties as specified by the Stock Exchange of Thailand;
6. At least 1 Audit Committee shall be sufficiently skilled and experienced to assume the duties of auditing accountability of the financial statements.

Authority of Audit Committee

1. Review the Company's financial statement to be accurate and sufficient.
2. Arrange the Company to sustain appropriate and efficient internal control and internal audit and consider independency of the internal audit section; and approve appointment, rotation and employment termination of a chief of internal audit section or other section being in charge of internal audit.

3. Audit that the Company comply with the laws governing securities and stock exchange, stock exchange requirements, and other laws applicable to the Company's business.
4. Consider, select, nominate, re-appoint and employment termination the person of independent nature to assume the duties as the Company's auditor and propose their remuneration; and attend a meeting with the auditor in absence of the management at least once a year.
5. Consider the related items or the items that may induce conflict of interests to be in compliance with laws and requirements of stock exchange to ensure that such items are reasonable and most beneficial to the Company.
6. Prepare a report of the Audit Committee to be disclosed in the Company's Form 56-1 One Report, such report must be signed by the chairman of the Audit Committee and be at least incorporated with the following details:
 - (a) Opinions on accuracy, completeness and accountability of the Company's financial statement;
 - (b) Opinions on adequacy of the Company's internal audit system;
 - (c) Opinions on compliance with laws governing securities and stock exchange, stock exchange requirements or laws applicable to the Company's business;
 - (d) Opinions on suitability of auditor;
 - (e) Opinions on the items which may induce conflict of interest;
 - (f) Number of board's meetings and attendance of each Audit Committee;
 - (g) Overall opinions or comments given to the Audit Committee on compliance with charter;
 - (h) Other items which are considered to be known to the general shareholders and investors under the scope of duties and responsibilities assigned by the Company's board.
7. Other performance assigned by the Company's board with Audit Committee's approval.

Appointment of Audit Committee

The Board of Directors and/or the Company's Shareholders' Meeting is responsible for appointment of 3 Audit Committee who possess the above qualifications. The office term of the Audit Committee will be specified by the Board of Directors or resolved by the Shareholders' Meeting.

2. Nomination and Remuneration Committee

The Nomination and Remuneration Committee consists of 3 independent directors serving 3 year term, namely:

No.	Name	Position
1.	Mr. Lec Sidoravit	Chairman of the Nomination and Remuneration Committee
2.	Mr. Manu Leopairote	Member of the Nomination and Remuneration Committee
3.	Mr. Sakthip Krairiksh	Member of the Nomination and Remuneration Committee

Mrs. Nattamon Jaruratkit is the Secretary to the Nomination and Remuneration Committee.

The Board of Directors has resolved to approve Charter of the Nomination and Remuneration Committee which has been announced and effective from August 27, 2012. The Nomination and Remuneration Committee's qualifications and responsibilities are specified as follows:

Qualifications of the Nomination and Remuneration Committee

1. The Nomination and Remuneration Committee is the Company's directors.
2. The Chairman of Nomination and Remuneration Committee is the Independent Director, and majority members of the Nomination and Remuneration Committee are the Independent Director.
3. Other than Clause 2., the Nomination and Remuneration Committee shall be the directors who are non-executive directors.
4. The Nomination and Remuneration Committee are the persons possessing knowledge, ability, experience, comprehension of qualifications, duties and responsibilities as being the Nomination and Remuneration Committee.

Authority and Responsibilities of the Nomination and Remuneration Committee

1. Setting the policies, criteria and procedures for recruiting, selecting and proposing the persons to assume the position of Directors, Subcommittees and Executives (equivalent to chairman of the executive committee) by taking the number of Committees as well as their qualifications into consideration for proposing to the Board of Directors' Meeting and/or the Shareholders' Meeting for approval in case of vacancy due to out of term or any other cases.
2. Being responsible to arrange for the Board of Directors and other Committee to have their structure, size and composition appropriate to organization including adjust the same in conformity with the change of circumstances. The Board of Director must consist of persons having knowledge, ability and various experiences.
3. Setting the policies, criteria, procedures for remuneration payout for the Board of Directors, Subcommittees in each position and Executives (equivalent to chairman of the executive committee) in various forms such as meeting allowance, commission, bonus, welfare and other returns both in cash and in any kind including an Employee Stock Option Plan (ESOP Scheme) by taking into consideration the duties, responsibilities and works, comparison with other companies in similar business and the expected advantage of the Directors for proposing to the Board of Directors' Meeting and/or the Shareholders' Meeting for approval as the case may be.
4. Determining and fixing the frame of yearly bonus payment, rate of salary increment and other benefits proposed by Executives.
5. Prescribing the performance evaluation rules of the Board of Directors and Subcommittees in order to apply in evaluating the holistic performance of the directors.
6. Being responsible for explaining and answering any questions regarding details of nomination of directors and the directors' remuneration in the Shareholders' Meeting.
7. Reporting policies and principles/reasons of nomination procedures and in determining the remuneration of the Board of Directors, Subcommittees' members and executives according to the SET guidelines by disclosing them in the Company's annual information disclosure Form 56-1 One Report, annual report and signed by the Chairman of the Nomination and Remuneration committee.

8. Organizing to have the Internal Nomination and Remuneration Charter reconsidered every year for proposing in the Board of Directors' Meeting for approval.
9. Performing any other duties as assigned by the Board of Directors.

3. **Corporate Governance Committee**

The Corporate Governance Committee consists of 3 independent directors serving 3 year term, namely:

No.	Name	Position
1.	Mr. Supong Chayutsahakij	Chairman of the Corporate Governance Committee
2.	Mr. Sakthip Krairiksh	Member of the Corporate Governance Committee
3.	Dr. Boonwa Thampitakkul	Member of the Corporate Governance Committee

Mr. Phichet Kimsin is the Secretary to the Corporate Governance Committee.

The Board of Directors has resolved to approve Charter of the Corporate Governance Committee which has been announced and effective from August 27, 2012. The Corporate Governance Committee's qualifications and responsibilities are specified as follows:

Qualifications of the Corporate Governance Committee

1. The Chairman of Corporate Governance Committee is the Independent Director, and majority members of the Corporate Governance Committee are the Independent Directors.
2. The Corporate Governance Committee are the persons possessing knowledge, ability, experience, comprehension of qualifications, duties and responsibilities as being the Corporate Governance Committee.

Authority and Responsibilities of the Corporate Governance Committee

1. Proposing to the Board of Directors for approval of the policies, criteria, guidelines for work performance as to the Good Corporate Governance and Code of Ethics and their updates for the suitability of the Company's operation and in conformity with the international standard or practices and/or advice of the Stock Exchange of Thailand and the Securities and Exchange Commission as well as the relevant government sectors.
2. Monitoring performances of the Company to ensure that they are in conformity with their policies.
3. Proposing the provisions of Code of Business Conduct and Code of Best Practices to the Company's directors, executives and employees, with comments to the guidelines and suggestions for improvement as proper.
4. Promoting the culture dissemination of Good Corporate Governance to all level of employees for their comprehension and effective practices.
5. Considering to appoint working groups and to prescribe their responsibilities for supporting the operation of corporate governance and business conduct as deemed appropriate.

6. Having authority to invite and/or hire the third party possessing knowledge and skill to be a consultant and join the meeting with the Company's cost.
7. Reporting the performance of the Corporate Governance Committee by disclosing it in the Company's annual information disclosure Form 56-1 One Report and signed by the Chairman of the Corporate Governance Committee.
8. Organizing to have the Internal Corporate Governance Committee Charter reconsidered every year for proposing in the Board of Directors' Meeting for approval.
9. Performing any other duties as assigned by the Board of Directors.

4. **Risk Management Committee**

The Risk Management Committee consists of 4 independent directors serving 3 year term, namely:

No.	Name	Position
1.	Mr. Manu Leopairote	Chairman of the Risk Management Committee
2.	Mr. Supong Chayutsahakij	Member of the Risk Management Committee
3.	Mr. Lec Sicoravit	Member of the Risk Management Committee
4.	Dr. Boonwa Thampitakkul	Member of the Risk Management Committee

Mr. Phichet Kimsin is the Secretary to the Risk Management Committee.

The Board of directors has resolved to approve Charter of the Risk Management Committee which has been announced and effective from August 27, 2012. The Risk Management Committee's qualifications and responsibilities are specified as follows:

Qualifications of the Risk Management Committee

1. The Chairman of Risk Management Committee is the Independent Director, and majority members of the Risk Management Committee are the Independent Director.
2. The Risk Management Committee are the persons possessing knowledge, ability, experience, comprehension of qualifications, duties and responsibilities as being the Risk Management Committee.

Authority and Responsibilities of the Risk Management Committee

1. Prescribing the Company's overall risk management policy and framework covering significant risk factors, e.g. Strategic Risk, Operational Risk, Financial and Accounting Risk, Compliance Risk, Information System Risk, etc.
2. Determining strategies in consistency with risk management policy, which can measure, monitor and maintain acceptable risk levels of the Company.
3. Advocating and carrying forward for the cooperation in operation of the Company's overall risk management, and reviewing the adequacy of the risk management policy and system, which includes the system's effectiveness as well as the implementation of the prescribed policy.

4. Organizing to systematically and continuously evaluate and analyze damage that may incur both in normal and crisis circumstances, to ensure that the risk survey covers the whole business operation processes.
5. Supporting and developing the risk management throughout the organization in conformity with the international standard.
6. Regularly reporting the Board of Directors regarding areas to be improved in accordance with the prescribed policy and strategies.
7. Having authority to hire the outsourced consultant for advisory, with the Company's cost, after obtaining the Board of Directors' consent.
8. Reporting the performance of the Risk Management Committee by disclosing it in the Company's annual information disclosure Form 56-1 One Report and signed by the Chairman of the Risk Management Committee.
9. Organizing to have the Internal Risk Management Committee Charter reconsidered every year for proposing in the Board of Directors' Meeting for approval.
10. Performing any other duties as assigned by the Board of Directors.

The Executive

As of December 31, 2022 the management team shall be composed of 4 members as follows:-

No.	List of Executives	Position
1.	Mr. Wanchai Kunanantakul	Chairman of the Executive Committee
2.	Mr. Surasak Kunanantakul	Vice Chairman of the Executive Committee
3.	Mr. Surapol Kunanantakul	President
4.	Mrs. Naphaporn Hoonthanaseevee	Vice President, Financial & Accounting

Authority of the Management

1. Making decision of the Company's significant transactions, setting up a mission, objectives, guidelines, policies which includes overseeing the Company's overall operation, outputs, customers' relation and to be responsible to the Board of Directors.
2. Setting up organizational structure under his/her scope of responsibilities, appointment and delegation of authorities of the subordinates.
3. Setting up an efficient system and process of work together with internal controls.
4. Approvals of expenditure for projects or investments according to the limits approved by the Board of Directors.
5. Hiring, appointing, dismissing, setting up remuneration rates, rewards annual increase and bonus to his/her subordinates.
6. Act as a Company's representative in any related business dealing with the external parties to an utmost benefit to the Company.

7. Managing the Company's general business.

The power was given to the management in approval of any business operation specified by the Board of Directors, except any acts which have conflict of interests to the Company or any acts which require approval from the shareholders in any related transactions or acquiring and disposing of the Company's assets which have to be in line with the SET's regulations. The Company is considering to specify the authority of the individual management to comply with the Company's business operation.

Authority of the Chairman of the Executive Committee

1. As a management of the Company to oversee and control the usual operation of its business and is authorized to approve the Company's juristic acts such as procurements of goods, materials, tools, equipments and payments etc.

The power was given to the Chairman of the Executive Committee in approval of any usual operation of business specified by the Board of Directors, except any acts which have conflict of interests to the Company or any acts which require approval from the shareholders in any related transactions or acquiring and disposing of the Company's assets which have to be in line with SET's regulations.

2. Setting up a strategic plan, operation plan, budget which also includes the efficient operation or action in accordance with the policies, budget and goals approved by the Board of Directors.

Remuneration of Directors and Executives for the year 2022

Remuneration of Directors

The Company's Board of Directors had fixed the clear remuneration policy. There are Nomination and Remuneration Committee established to contemplate and fix the remuneration which is subject to yearly revision. Remuneration of Directors, company has defined by suitability, duty, responsibility assigned and in line with the Company's financial status and operation results, performance of committee and sub-committee. The remuneration shall be comparable to the listed companies of similar business size in the same industry and shall be enough to attract the qualified directors to perform the duties in the target direction.

The Company sought the approval of remuneration of the directors from the shareholders' meeting for year 2022 held on April 28, 2022

Details	Amount (Baht)
The Board of Directors	
• monthly remuneration (per person)	20,000
• meeting allowance (per person and per number of meeting attendance)	15,000
<u>Remarks</u> For the Company's non-executive directors only as the executive directors already receive the remuneration for the executive position.	
Subcommittees, paid to the chairman and directors (per person and per number of meeting attended)	
1. Audit Committee	
• meeting allowance	15,000
2. Nomination and Remuneration Committee	
• meeting allowance	10,000
3. Corporate Governance Committee	
• meeting allowance	10,000
4. Risk Management Committee	
• meeting allowance	10,000

Remuneration of the Board of Directors and Subcommittees in for the year 2022

(Unit: Baht)

Name	BOD	AC	NRC	CGC	RMC	TOTAL NET
1. Mr. Wanchai Kunanantakul	-	-	-	-	-	-
2. Mr. Manu Leopairote	315,000	60,000	20,000	-	40,000	435,000
3. Mr. Supong Chayutsahakij	315,000	60,000	-	20,000	40,000	435,000
4. Mr. Lec Sicoravit	315,000	60,000	20,000	-	40,000	435,000
5. Mr. Sakthip Krairiksh	315,000	60,000	20,000	20,000	-	415,000
6. Dr. Boonwa Thampitakkul	315,000	60,000	-	20,000	40,000	435,000
7. Mrs. Orachorn Kunanantakul	-	-	-	-	-	-
8. Mr. Surasak Kunanantakul	-	-	-	-	-	-
9. Mrs. Naphaporn Hoonthanasevee	-	-	-	-	-	-
10. Mr. Surapol Kunanantakul	-	-	-	-	-	-
11. Mr. Sittichai Kunanantakul	-	-	-	-	-	-
Total	1,575,000	300,000	60,000	60,000	160,000	2,155,000

Remuneration of Executives

The remuneration of executives are in compliance with the rules and policies stipulated by the Nomination and Remuneration Committee yearly.

Personnel	Remuneration	Amount (Million Baht)
Remuneration of Executive Year 2022 4 Executives	Salary, Bonus	24.17

- **Other remunerations of Director** -None -
- **Other remunerations of Executives**

The Company has arranged for the Provident Fund for the executives by contributing at the rate of 2 percent of their salaries. In 2022, the Company has paid the contribution for 4 Executives in a total of 0.47 Million Baht.

Employees

In 2022, the Company has 433 full-time employees (monthly and daily). The total remuneration of all employees; salary, bonus, provident fund, overtime pay and other compensation in 2022 is 177 million Baht in total.

PERSONEL	2022	2021	2020	2019	2018
Monthly Employees (person)	280	267	268	374	381
Daily Employees (person)	148	158	164	276	303
Total (person)	428	425	432	650	684
Remuneration (Million Baht)	177	176	226	239	253

In addition, the Company's subsidiaries paid the remuneration to employees 110 Million Baht in total.

2022	SCI	SOC	SSOC	SBM
Monthly Employees (person)	1	89	8	11
Daily Employees (person)	-	204	-	2
Total (person)	1	293	8	13
Remuneration (Million Baht)	-	101	6	2

SCI Sri Chareon International Co., Ltd.

SOC Siam Okamura Steel Co., Ltd.

SSOC Siam Steel OC Co., Ltd.

SBM Siam Biomass Manufacturing Ltd.

The Company has established a Provident Fund for employees according to the Provident Fund Act, B.E. 2530 (A.D. 1987) and B.E. 2542 (A.D. 1999) for the employees who pass the probation period and become full-time employees. All employees are eligible to apply for Provident Fund membership and receive the Company's contribution when resigning from the Company after working with the Company for 1 year or more according to contribution rate specified of 2022. The contribution amount that the Company has contributed to the fund and recorded amounting 2.69 Million Baht.

In addition, the Subsidiaries has established a provident fund. Their full-time employees joined the provident fund membership as summarized details in the table below:-

Company/ Subsidiary	With PVD/ Without PVD	Number of Employees contributed to PVD (person)	The Proportion of Employee contributed to PVD / Total Employees (%)
SIAM	Yes	411	96.03 %
SCI	Yes	1	100 %
SOC	Yes	293	100 %
SSOC	Yes	5	62.50 %
SIE	-	0	0 %

SIAM	Siam Steel International Public Company Limited
SCI	Sri Chareon International Co., Ltd.
SOC	Siam Okamura Steel Co., Ltd.
SSOC	Siam Steel OC Co., Ltd.
SIE	Siam International Energy Ltd.

Significant Change in Headcount

-None-

Labor Disputes in the past 3 years

The Company has no labor disputes in the past 3 years.

Employees Development

Regarding the Human Resources Development on 2022, the Company conducted in-house training especially the essential courses that are to comply with legal regulations, skill development for the working including the course that is focus on knowledge and understanding the environmental maintenance and energy usage. Moreover, these trainings will be set format both of in-house and online in order to conform with the widespread of Coronavirus (COVID-19); for example, “Usage and Maintenance of the Fiber Laser Cutting Machine”, “Personal Data Protection Act (PDPA) and Document Preparation for the Working System according to PDPA”, “Consciousness for the Energy Conservation”, and “Calculation and Report Writing in Carbon Footprint for Organization”

Other Significant Information

Company Secretary and Head of Investor Relations

According to the Resolution of Company’s Board of Directors, Mr. Phichet Kimsin appointed to be Company secretary since August 11, 2022. The qualifications details of Company secretary appeared in Attachment 1.

Head of Internal Audit

The Company assigned Mr. Sornron Thongprasert to be a head of the compliance department in charge of operation supervision according to the criteria of the official department to supervise the Company's business engagement. The qualification details of head of the compliance department shown in Attachment 3.

Remuneration of Auditor

Auditor Fee	Amount (Baht)
Auditor Fee for the year 2022	2,742,000
Other Service	None

CORPORATE GOVERNANCE PERFORMANCE REPORT

Summary of Performance of the Board of Directors in the previous year

The Company gives precedence to the Board of Directors' performing of their roles, duties, and responsibilities in maintaining the Company's benefits, and for the transparency and to create confidence to the employees, customers, Company's shareholders, stakeholders, and public society as well as investors both within and outside Thailand. (Details are shown in the topic of Corporate Governance, Chapter 5-Responsibilities of the Board of Directors.)

Nomination and appointed Director and Executives

1. Independent Director

Qualifications of Independent Director

The Board of Directors consists of 5 independent directors which is more than one-third of the directors in total. The Board has approved the new definition and qualification of the independent director which is more rigid than the terms of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) and in line with good corporate governance practices as follows:

1. not hold shares in excess of 0.90 percent of the total number of voting shares of the Company, subsidiary, associated company, major shareholder or any person having controlling power over the Company, whilst the number of shares held by any related person of such an independent director must also be counted;
2. not be and have not been a director participating in management role of the Company, or an employee or an officer of the Company, or an advisor of the Company which receives regular salary from the Company, and not be and have not been a person having controlling power over the Company, subsidiary or associated company, unless such an independent director has not been a person referred to above for at least two years prior to the date on which the application for being an independent director is filed with the SEC, provided always that such restriction or prohibition shall not apply to an independent director who has been a governmental officer or an advisor of a government authority, which is the major shareholder of the Company or the person having controlling power over the Company;
3. not be a person having relationship either through blood or lineage or legal registration as a father, mother, spouse, sibling or child, including as a spouse of a child of any management person or major shareholder of the Company or the Company's subsidiary, or of any person having power to control the Company or the Company's subsidiary, or of the person being nominated to be a management person of or a person having power to control the Company or the Company's subsidiary;
4. not have and have not had any business relationship with the Company, subsidiary, associated company, or major shareholder, or with the person having power to control the Company that may have conflict of interest, in the manner in which his/her independent discretion might be affected, and not be and have not been a substantial shareholder of or a person having power to control the person that has business relationship with the Company, subsidiary, associated company, major shareholder or the person having power to control the Company unless such an independent director has not been a person referred to above for at least two years prior to the date on which the application for being an independent director is filed with the SEC;

Business relationship referred to in the first paragraph above shall mean to include any ordinary course of business or trade for business engagement purpose, any lease taking or lease out of any property, any transaction relating to asset or service, any financial support or acceptance of financial support by way of either borrowing, lending,

guaranteeing or collateral providing or any other manner similar thereto that could result to an obligation required to be performed by the applicant or the party thereto in an amount of three percent or more of the net tangible asset value of the applicant or twenty million baht or more, whichever is lesser. In light of this, the method for calculation of the value of connected transaction pursuant to the Capital Market Supervising Committee's Notification, Re: Regulations in respect of an Entering into a Connected Transaction shall be applied mutatis mutandis for the purpose of calculation of such amount of debt of the applicant, provided that the amount of debt incurred during the past one year prior to the date on which such a business relationship with such person exists;

5. not be and have not been an auditor of the Company, subsidiary, associated company, major shareholder or of any of the person having power to control the Company, and not be and have not been a substantial shareholder of, a person having power to control over, or a partner of any auditing firm or office in which the auditor of the Company, subsidiary, associated company, major shareholder, or the person having power to control the Company is working, unless such an independent director has not been a person referred to above for at least two years prior to the date on which the application for being an independent director is filed with the SEC;

6. not be and have not been a professional advisor, including legal or financial advisor who obtains fee more than two million baht a year from the Company, subsidiary, associated company, major shareholder, or from the person having power to control the Company, and not be and have not been a substantial shareholder of, a person having power to control over, or a partner of any of such professional service provider firm or office, unless such an independent director has not been a person referred to above for at least two years prior to the date on which the application for being an independent director is filed with the SEC;

7. not be a director appointed as a representative of a director of the Company, a representative of a major shareholder of the Company, or a representative of a shareholder of the Company which is a related person of the major shareholder of the Company;

8. not engage in any business the nature of which is the same as that of the Company or the Company's subsidiary and which, in any material respect, is competitive with the business of the Company or the Company's subsidiary, or not be a substantial partner in a partnership, a director participating in any management role, an employee or officer, an advisor obtaining regular salary from, or a shareholder holding more than one percent of the voting shares of a company engaging in any business the nature of which is the same as that of the Company or the Company's subsidiary and which, in any material respect, is competitive with the business of the Company or the Company's subsidiary;

9. not have any characteristics by which his/her independent comment or opinion on the Company's operation may be affected. If a person having qualifications stated in (1) to (9) above is appointed as an independent director of the Company, such appointed independent director may be assigned by the Company's Board of Directors to make decision in respect of business operation of the Company, subsidiary, associated company, the major shareholder of the Company, or the person having controlling power over the Company, provided that such decision making by such appointed independent director must always be made on a collective decision basis.

(A **related person** includes any person who is related to or associated with the Company to the extent that limit independent or flexible performance of duties, for example, as a product seller, customer, creditor, debtor or any person significantly related to the business.

A **director who is engaged in management** means a director who holds a position as an executive, a director who perform his/her duties like an executive and director who signs binding the Company unless the power to sign binding is approved by the Board of Directors and jointly with the other directors.)

Appointment of the Independent Director

The Board of Directors and/or the Meeting of Shareholders will appoint the Independent Director who possesses the above qualifications. The Independent Director's office terms will be specified by the Board of Directors or resolved by the Shareholders' Meeting. The Independent Director is now composed of 5 directors (equivalent to 45% of the Board of Directors).

2. Directors and Executives

The nomination of the Directors, Chairman of the Executive Committee or any positions equal to the Company's Chief Executive as well as the Committees' members shall be conducted for consideration and screened by the Nomination and Remuneration Committee before proposing to the Board of Directors and/or the Shareholders' Meeting. The nomination will be conducted in conformity with the Company's policy and taken into consideration appropriate qualifications which they shall possess knowledge and ability. They shall be professional and have adequate time for providing service to the Company.

According to the Articles of Association, the Board of Directors consists of at least 5 directors and no less than half of the total number of directors shall reside in Thailand. The Board of Directors may or may not be the Company's shareholder.

Recruitment of Top Executive

The Board of Directors considered and assigned the Nomination Committee to consider the criteria and methods of nominating qualified person to be top executives and nominate more than one qualified person with reasons for the Board of Directors to consider and appoint. Regarding the selection, it will consider the persons who own the complete and suitable qualifications, abilities, skills, experience beneficial to the Company operation, understand well about the Company's business, including capability of operation management to achieve the Company objectives, goals as specified by the Board of Directors.

The Directors shall be appointed by the Shareholders' Meeting on the following criteria and practices:

1. One share for one vote.
2. Each shareholder may exercise all his/her votes provided in 1, for the election of one or a group of directors but the votes may not be split for different parties.
3. The nominee receiving the highest votes shall be elected to fill the seat. In the case where the number of nominees gaining equal votes exceeds the number of seat(s) available, then the chairman shall have the casting vote.
 - At the Annual General Meeting of Shareholders, in every year, one-third of the directors, or, if their number is not a multiple of three, then the number nearest to one-third must retire from office.
 - Any vacancy occurring in the Board of Directors otherwise than by rotation may be filled up by the Board of Directors' Meeting, but any person so appointed shall retain his office during such time only as the vacating director was entitled to retain the same.
 - Voting for Directors Election, the Company allows the shareholders to use ballots to elect directors individually. All shareholders vote the nominated person to be a director one by one.

Meeting attendance of the Board of Directors and Sub-Committees for the year 2022 are as follows;

Attendance / Meeting (Time)

NAME	Meeting					
	BOD	AGM	CAC	NRC	CGC	RMC
1. Mr. Wanchai Kunanantakul	3/4	1/1	-	-	-	-
2. Mr. Manu Leopairote	4/4	1/1	4/4	2/2	-	4/4
3. Mr. Supong Chayutsahakij	4/4	1/1	4/4	-	2/2	4/4
4. Mr. Lec Sicoravit	4/4	1/1	4/4	2/2	-	4/4
5. Mr. Sakthip Krairiksh	4/4	1/1	4/4	2/2	2/2	-
6. Dr. Boonwa Thampitakkul	4/4	1/1	4/4	-	2/2	4/4
7. Mrs. Orachorn Kunanantakul	4/4	1/1	-	-	-	-
8. Mr. Surasak Kunanantakul	4/4	1/1	-	-	-	-
9. Mr. Surapol Kunanantakul	4/4	-	-	-	-	-
10. Mrs. Naphaporn Hoonthanasevee	4/4	1/1	-	-	-	-
11. Mr. Sittichai Kunanantakul	4/4	1/1	-	-	-	-

Remuneration of the Broad of Directors and Subcommittees Details are show in the topic of Remuneration of Directors and Executives for the year 2022

Corporate Governance of Subsidiary Company and Associated Company

The Company's Committees' mechanisms for governing, controlling, managing and being responsible for the operation of subsidiary company and associated Company so as to maintain benefits in the Company's investment fund are as follows:

1. The Company's representatives serve as directors and executives in accordance with the shareholding proportion in subsidiary company and associated Company. Such representatives shall be given approval from the meeting of Company's Committee, whereby, the aforementioned and executive will participate in implementing important policies for the business operations of the subsidiary company and associated company.

2. Persons appointed as directors in the subsidiary company or associated company have the duty to administer for the best benefits of the Company including the subsidiary company and associated company.

Moreover, the subsidiary company is specified to possess the practice concerning connected transactions, the acquisition and disposition of assets in full and correct manners like the Company's principles. These also include the collection of information and bookkeeping of the subsidiary to enable the Company to inspect report and prepare the overall financial statement in time.

Monitoring of Corporate Governance Compliance according to Policies and Guidelines

The Company emphasizes on good corporate governance. The relevant policies and guidelines have been set in the Company's Corporate Governance Policy and Business Ethics, including supporting the real practices in order to build trust for stakeholders.

Last year, the Company has monitored the corporate governance compliance, Employees care and non-discrimination, anti-unfair competition, environmental concern, hygiene and safety in organization, data and information safety including set the policy and guidelines that are related to the personal protection according to PDPA such as the Personal Protection Regulation for CCTV usage, employees, candidates, trainees, and labor contractors. Upon monitoring, it is found that the Company has fully implemented the guidelines for each issue.

To ensure the compliance with good corporate governance, the Company thus, follow up 4 additional issues as follows:-

Prevention of Conflict of Interest

To prevent the conflict of interest between personal's interest and the Company's interest during business operation, employees have to avoid any action or situation which may cause the conflict of interest (Details are shown in the topic of Chapter 3-Consideration on the role of stakeholders)

In the previous year, the Company examined and found no cases that may cause any conflict of interest of the Company.

Using Internal Information for Exploitation

The Company has prepared the Code of Conduct and Business Ethics in writing which covers the use of insider information as follows:

- Directors, executives and employees of the Company are prohibited from the use of undisclosed insider information for the purpose of purchasing, selling, transferring or accepting a transfer of securities issued by the Company, prior to the disclosure of such information to the public.
- Directors and executives shall report all their securities holding to the Security and Exchange Commission, Thailand, for every time of purchasing, selling, transferring or accepting a transfer of securities issued by the Company, within 3 working days commencing from the date of purchasing, selling, transferring or accepting a transfer of securities and deliver one copy of the said report to the Company Secretary for safekeeping as evidence. In this regard, the Board of Directors has followed up the results of compliance with such measure by arranging the Company Secretary to report the changes in securities holdings of all directors in every Board of Directors' meeting.
- Directors, executives and employees of the Company are asked for collaboration to not purchase or sell securities for a period of 1 month prior to the disclosure of information relating financial statements or other information having effects on securities trading prices to the public and shall not trade in the Company's securities until a period of 24 hours since the disclosure of such information to public.
- Information relating to the Company's business operation, e.g. commercial agreements, product prototypes and commercial information, is considered as secrets of the Company. Such information is not allowed to be disclosed to other persons unless the disclosure is in accordance with laws or for the Company's management benefit, provided that the Company's approval shall be obtained prior to any such disclosure.
- In the case where there are persons who fail to adhere to the above terms, they shall be deemed to be in violation of the Company's disciplines, and the punishment for such violation will be from caution, suspension from service to termination of service (as the case may be).

In the previous year, there is no case that the Company's directors and executives seeking to benefit from using the Company internal information or others.

Anti-corruption

The Company has specified anti-corruption issues against any conflict of interest, forbidding bribery or alluring offer or acceptance as prescribed in the Corporate Governance Policy and Code of Conduct and Business Ethics to which the directors and employees must strictly adhere. Furthermore, if the internal audit result shows any point which will incur risk in the said issues, the Audit Committee shall inform Administration Division to proceed with inspection and resolve the said problem. In addition, the Company has the preventive operation against being involved with any corruption as follows:

1. Let both internal and external interested persons inform or make a complaint concerning any offences against laws, ethics, incorrect financial statements or defective internal governing system to the Chairman of the Corporate Governance Committee, including describe the measure to protect the informer's rights from any violation.

2. The employees witnessing any violation or disobedience against the Code of Conduct and Business Ethics shall notify the Human Resources and General Affairs Department Manager for proceeding with the fact inspection. In case where any law violation is found, the result of fact inspection shall be informed to the Legal Department for proceeding with the further civil and/or criminal action. In the case where the essential ethics of the organization is violated, the petitioner shall report the said violation to the Company's Audit Committee. In this regard, the Company has adopted measures to protect the informer's rights against any violation.

In the previous fiscal year, no complaint relating to any corruption violating laws, ethics, incorrect financial statements or defective internal governing system was informed to the Company by any means.

Whistleblowing

Any interested person in or outside of the organization may notify or make a complaint through the channels that Company provided; mail, website, email and telephone of the Company about the act which is contrary to the law and ethics, an inaccurate report of the finance or a fault of the internal control system to the Chairman of the Corporate Governance Committee who arranges for measurement of the protection of such notification or complaint and conclude the Committee's consideration for submission to the Board of Directors for a decision in this matter as they may deem appropriate. (Details are shown in the topic of Corporate Governance Chapter 3- Consideration on the role of stakeholders)

Last year, there is no complaints related to corruption or violations of the Company's corporate governance policy.

Report of Audit Committee Performance for the year 2022

Name	Position	Total Meeting Held/ Meeting Attendance (Time)
1. Mr. Manu Leopairote	Chairman of the Audit Committee	4/4
2. Mr. Supong Chayutsahakij	Member of the Audit Committee	4/4
3. Mr. Lec Sicoravit	Member of the Audit Committee	4/4
4. Mr. Sakthip Krairiksh	Member of the Audit Committee	4/4
5. Dr. Boonwa Thampitakkul	Member of the Audit Committee	4/4

The performance of the Audit Committee appeared in Attachment 6, Report of Audit Committee for the year 2022

Report of other Sub-Committees Performance for the year 2022

Attendance / Meeting (Time)

Name	Nomination and Remuneration Committee	Corporate Governance Committee	Risk Management Committee
1. Mr. Manu Leopairote	2/2	-	4/4
2. Mr. Supong Chayutsahakij	-	2/2	4/4
3. Mr. Lec Sicoravit	2/2	-	4/4
4. Mr. Sakthip Krairiksh	2/2	2/2	-
5. Dr. Boonwa Thampitakkul	-	2/2	4/4

REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE FOR THE YEAR 2022

Dear Shareholders of Siam Steel International Public Company Limited,

The Nomination and Remuneration Committee appointed by the Board of Directors consists of 3 independent directors, namely, Mr. Lec Sicoravit as Chairman of the Nomination and Remuneration Committee, Mr. Manu Leopairote and Mr. Sakthip Krairiksh as members of the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee has performed duties according to the scopes, duties and responsibilities assigned by the Board of Directors, which are prescribed in charter. During for the year 2022, 2 meetings of the Nomination and Remuneration Committee were held. The essence of the meetings can be summarized as follows:

1. The criteria of bonus payments and the annual increment rates of personnel and the executive's salary were prescribed.
2. The remuneration of Directors and Subcommittees was considered (details are reflected in this Form 56-1 One Report in remuneration of Executive Directors and Management Executive topic).
3. Performance evaluation of the Chairman, the Board of Directors (individually by self-evaluation and performance evaluation of the whole Board of Directors) and 4 Subcommittees were acknowledged and presented to the Board of Directors of the Company for acknowledgement.

During 2022, the performance of the whole Nomination and Remuneration Committee was evaluated by self-evaluation comparing with the good practice guidelines and the charter, the results of which satisfied the Nomination and Remuneration Committee. The performance was effective and in compliance with the prescribed charter and the results have been reported to the Company's Board of Directors for acknowledgement.



(Mr. Lec Sicoravit)

Chairman of the Nomination and Remuneration Committee

REPORT OF THE CORPORATE GOVERNANCE COMMITTEE FOR THE YEAR 2022

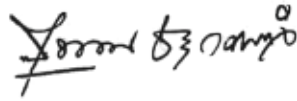
Dear Shareholders of Siam Steel International Public Company Limited,

The Corporate Governance Committee appointed by the Board of Directors consists of 3 independent directors, namely, Mr. Supong Chayutsahakij as Chairman of the Corporate Governance Committee, Mr. Sakthip Krairiksh and Dr. Boonwa Thampitakkul as members of the Corporate Governance Committee.

The Corporate Governance Committee has performed duties according to the scopes, duties and responsibilities assigned by the Board of Directors, which are prescribed in charter. During for the year 2022, 2 meetings of the Corporate Governance Committee were held. The essence of the meetings can be summarized as follows:

1. To revise the written good governance policies and organizational ethics manual and amend the Corporate Governance Report, of which the Committees, Sub-committees, consultants, executives and staff are required to adhere to them as the practice guidelines. All levels of personnel have been provided with knowledge on such matters and encouraged to act accordingly. Awareness building for personnel since he/she has started working is emphasized by preparation thereof in writing and providing them with same with recommendations on compliance by his/her superior. In case of incompliance with aforementioned policies and code of conduct, it will be deemed as a breach of the Company's discipline and will be considered for punitive action(s) pursuant to the Company's regulations which might be ranged from warning, suspension from work to termination of employment.
2. Performance evaluation of the chairman, the board of directors (by individual self-evaluation and performance evaluation of the whole Board of Directors) and 4 subcommittees were arranged and promoted to be conducted every year, at least once a year, in order to have each director consider and review results of works, issues and obstacles during the past year which will result in the increased work efficiency.
3. During the past year, the performance of the whole Corporate Governance Committee was evaluated by self-evaluation comparing with the good practice guidelines and the charter, the results of which satisfied the Corporate Governance Committee. The performance was effective and in compliance with the prescribed charter and the results have been reported to the Company's Board of Directors for acknowledgement.
4. The Company set the policy and guidelines that are related to the personal protection according to PDPA. All staffs will be confident and aware of following the law and specific guidelines of the Company. These policy and guidelines made the Confidence to the staffs in order to aware of following the law and Company's guidelines.
5. The Company received the result of the annual general meeting of shareholders for the year 2022 Quality Evaluation held by Thai Investors Association with score 100 full marks, satisfying "Excellent" criteria.
6. The Company received the result of Thai Listed Companies' Corporate Governance Survey Project for the year 2022 held by Thai Institute of Directors overall satisfying "Very Good" criteria.

The Company is aware of the importance and intends to promote the Company to be the organization which can efficiently conduct its businesses with good corporate governance and management by emphasizing the maximum benefits for shareholders, taking into account the overall stakeholders with virtue in carrying on the businesses, transparency and audit ability so as to increase the confidence of shareholders, investors and all relevant persons. The Corporate Governance Committee is still determined to develop the efficiency in carrying on businesses with good corporate governance and is confident that the Company is able to achieve such goals.



(Mr. Supong Chayutsahakij)

Chairman of the Corporate Governance Committee

REPORT OF THE RISK MANAGEMENT COMMITTEE FOR THE YEAR 2022

Dear Shareholders of Siam Steel International Public Company Limited,

The Risk Management Committee appointed by the Board of Directors consists of 4 independent directors, namely, Mr. Manu Leoparote as Chairman of the Risk Management Committee, Mr. Supong Chayutsahakij, Mr. Lec Sicoravit and Dr. Boonwa Thampitakkul as members of the Risk Management Committee.

The Risk Management Committee has performed duties as per the scopes, duties and responsibilities assigned by the Board of Directors of the Company which are prescribed in the charter. During for the year 2022, 4 meetings of the Risk Management Committee were held. The essence of the meetings can be summarized as follows:

1. Follow up all agencies' risk management schedules presented by the management covering Strategic Risk, Operational Risk, Financial and Accounting Risk, Compliance Risk and Information System Risk. Also, the results have been reported to the Board of Directors or accordingly.
2. During the past year, the performance of the whole Risk Management Committee was evaluated by self-evaluation comparing with the good practice guidelines and the charter, the results of which satisfied the Risk Management Committee. The performance was effective and in compliance with the prescribed charter and the results have been reported to the Company's Board of Directors for acknowledgement.



(Mr. Manu Leoparote)

Chairman of the Risk Management Committee

INTERNAL CONTROL AND CONNECTED TRANSACTIONS

Internal Control

The Company hereby appoints Riskless Solutions Co., Ltd. since August 11, 2022 to be the Company's Internal Auditor. Riskless Solutions Co., Ltd. assigned Mr. Sornron Thongprasert to be Managing Director, primary responsible for Internal Audit operation of the Company.

The Audit Committee has considered Riskless Solutions Co., Ltd. and Mr. Sornron Thongprasert's qualification and found that they are suitable to perform their duties with their experience, being independent and shall report directly toward the Operation Internal Audit Committee for assessment of its performance of the internal audit system and provision of advice for development thereof to be consecutively in good standing. The Internal Audit Committee shall review and Internal Auditor's report, thereafter report to the Company's Board of Directors Meeting.

To consider, approve, appoint, remove, transfer of the Company Internal Audit Head, it must be approved by the Audit Committee. The details of qualifications of Internal Audit Head presented in Attachment 3

The Board of Directors' opinion pertaining to the internal control system

The Board of Directors has evaluated the Company's internal control system from the report regarding the effectiveness of the internal control system, the internal auditor's report and the Audit Committee's report, the information obtained from Management and conclude that from the evaluation of the Company's internal control system in 5 areas, namely the organization's internal control, risk assessment, operation control, information and communication system and monitoring system, the Board of Directors deems that the Company's internal control system is sufficient and appropriate. Therefore, the Company has Risk Committee for supporting in reviewing the system and evaluate the result of risk management on quarterly basis as the Company has arranged sufficient personnel with efficient performance in compliance with the system as well as having the adequate internal control system in monitoring and supervising the Company's subsidiaries' operations, to prevent any illegitimate or unauthorized utilization of the Company's or its subsidiaries' properties by the directors or executives including preventing any transactions made with persons having conflicts or any other related persons. For other areas, the Board of Directors deems that the Company has sufficient internal control and comply with Good Corporate Governance.

CONNECTED TRANSACTION

Company Name	Transactions with Related Companies		The Policy pricing		Relationship SIAM and Related Company	
	Transaction	2022 (Thousand Baht)	2021 (Thousand Baht)		% Holding Share	Directorship
Subsidiaries Companies						
Sri Chareon International Co., Ltd.	Sales and service Income	816.56	244.92	Cost plus margin or agreed price	Siam Steel International Plc.	Mr. Wanchai Kunanantakul
	Sales of raw materials/ factory supplies and others	0.00	0.00	Cost plus margin		Mr. Surasak Kunanantakul
Siam Steel OC Co., Ltd.	Rental revenue	24.00	24.00	Agreed price		
	Sales and service Income	9,744.05	8,044.13	Cost plus margin or agreed price	Siam Steel International Plc.	Mr. Surasak Kunanantakul
	Sales of raw materials/ factory supplies and others	150.59	163.25	Cost plus margin		Mrs. Naphaporn Hoonthanasevee
	Rental revenue	325.34	339.48	Agreed price		Mr. Surapol Kunanantakul
Siam International Energy Co., Ltd.	Dividend income	0.00	850.65	As announced		
	Sales of raw materials/ factory supplies and others	0.00	0.00	Cost plus margin	Siam Steel International Plc.	Mr. Wanchai Kunanantakul
		2,755.00	2,130.15	Agreed rate		Mr. Surasak Kunanantakul
						Mrs. Naphaporn Hoonthanasevee
Siam Okamura Steel Co., Ltd.	Sales and service Income	15.40	45.76	Cost plus margin or agreed price	Siam Steel International Plc.	Mr. Wanchai Kunanantakul
	Sales of raw materials/ factory supplies and others	194.42	1,500.75	Cost plus margin		Mr. Surasak Kunanantakul
	Rental revenue	871.20	60.00	Agreed price		
	Dividend income	4,896.34	3,877.58	As announced		Mr. Surapol Kunanantakul
	Purchases of raw materials	503.93	263.77	Cost plus margin or agreed price		Mr. Sittichai Kunanantakul
	Purchases of finished goods Administrative expenses and other expenses	11,982.71	16,640.22	Agreed price		
	0.00	18.80	Cost plus margin or agreed price		Mr. Wanchai Kunanantakul	
					Mr. Surasak Kunanantakul	
					Mr. Surapol Kunanantakul	

Company Name	Transactions with Related Companies				Relationship SIAM and Related Company	
	Transaction	2022	2021	The Policy pricing	% Holding Share	Directorship
		(Thousand Baht)	(Thousand Baht)			
Indirect Subsidiaries Companies						
Bangphra Green Energy Co., Ltd.	Sales of raw materials/ factory supplies and others	0.00	0.00	Cost plus margin	Siam Steel International Pl. held by Siam International Energy Co., Ltd.	100% Mr. Wanchai Kumanantakul Mr. Surasak Kumanantakul Mrs. Naphaporn Hoonthanasavee Mr. Surapol Kumanantakul Mr. Sittichai Kumanantakul
Siam Biomass Manufacturing Ltd.	Sales and service Income	10,524.37	0.00	Cost plus margin or agreed	Siam Steel International Pl.	100% Mr. Wanchai Kumanantakul
	Sales of raw materials/ factory supplies and others	0.00	2.63	price Cost plus margin	held by Siam International Energy Co., Ltd.	Mr. Surasak Kumanantakul Mrs. Naphaporn Hoonthanasavee
	Sales of raw materials/ factory supplies and others	1.95	0.00	Cost plus margin		Mr. Surapol Kumanantakul
	Rental revenue	24,360.00	9,960.00	Agreed price		Mr. Sittichai Kumanantakul
Siam Biomass Product Co., Ltd.	Sales of raw materials/ factory supplies and others	0.00	0.00	Cost plus margin	Siam Steel International Pl. held by Siam International Energy Co., Ltd.	100% Mr. Wanchai Kumanantakul Mr. Surasak Kumanantakul Mrs. Naphaporn Hoonthanasavee Mr. Surapol Kumanantakul Mr. Sittichai Kumanantakul
Siam Forest Management Co., Ltd.	Sales of raw materials/ factory supplies and others	0.00	0.00	Cost plus margin	Siam Steel International Pl. held by Siam International Energy Co., Ltd.	60% Mr. Wanchai Kumanantakul Mr. Surasak Kumanantakul Mrs. Naphaporn Hoonthanasavee Mr. Surapol Kumanantakul Mr. Sittichai Kumanantakul

Company Name	Transactions with Related Companies		The Policy pricing		Relationship SIAM and Related Company		
	Transaction	2022 (Thousand Baht)	2021 (Thousand Baht)		% Holding Share	Directorship	
Associated Companies							
Siam Okamura International Co., Ltd.	Sales and service Income	10,536.09	4,266.18	Cost plus margin or agreed price	Siam Steel International Plc.	40%	Mr.Wanchai Kumanantakul
	Sales of raw materials/ factory supplies and others	5,385.08	4,456.75	Cost plus margin			Mr.Surasak Kumanantakul
	Rental revenue	540.00	1,468.08	Agreed price			Mrs.Naphaporn Hoonthanasevee
	Dividend income	4,115.71	4,115.71	As announced			Mr.Surapol Kumanantakul
	Purchases of finished goods	37.13	9.35	Agreed price			Mr.Sittichai Kumanantakul
	Purchases of assets	350.00	0.00	Agreed price			
Siam Steel Service Center Plc.	Sales and service Income	51.15	34.60	Cost plus margin or agreed price	Siam Steel International Plc.	22.76%	Mr.Wanchai Kumanantakul
	Sales of raw materials/ factory supplies and others	6.24	216.94	Cost plus margin	Kumanantakul Group	6.43%	Mr.Surasak Kumanantakul
	Dividend income	36,076.88	16,626.74	As announced			Mrs.Naphaporn Hoonthanasevee
	Purchases of raw materials	32,318.45	33,381.97	Cost plus margin or agreed price			Mr.Surapol Kumanantakul
	Purchases of assets	0.00	476.15	Agreed price			Mr.Sittichai Kumanantakul
	Administrative expenses and other expenses	0.00	2.42	Cost plus margin or agreed price			

Company Name	Transactions with Related Companies				Relationship SIAM and Related Company			
	Transaction	2022	2021	The Policy pricing	% Holding Share	Directorship		
		(Thousand Baht)	(Thousand Baht)					
Related Companies								
Unity Service Co., Ltd. Formica (Thailand) Co., Ltd.	Sales of raw materials/ factory supplies and others	7,013.66	6,026.70	Cost plus margin	Kunanantakul Group	99.50%	Mr.Wanchai Kunanantakul	
	Administrative expenses and other expenses	6,796.09	6,192.91	Cost plus margin or agreed price			Mr.Surasak Kunanantakul	
	Sales of raw materials/ factory supplies and others	0.00	195.71	Cost plus margin	Siam Steel International Plc.	5%	Mr.Wanchai Kunanantakul	
	Rental revenue	16,317.18	16,184.52	Agreed price				
	Dividend income	16,529.12	15,832.11	As announced				
	Purchases of raw materials	1,938.59	1,813.86	Cost plus margin or agreed price				
	Purchases of assets	0.00	0.00	Agreed price				
	Administrative expenses and other expenses	0.00	55.65	Cost plus margin or agreed price				
	Panasonic SPT (Thailand) Co., Ltd.	Sales of raw materials/ factory supplies and others	0.00	2.80	Cost plus margin	Siam Steel International Plc.	5%	Mr.Wanchai Kunanantakul
	Formerly Panasonic Eco Solutions Steel (Thailand) Co., Ltd.	Dividend income	4,761.61	2,501.38	As announced			
Siam Chitose Co., Ltd.	Purchases of raw materials	527.29	89.96	Cost plus margin or agreed price	Siam Steel International Plc.	0.0004%		
	Purchases of assets	0.00	0.00	Agreed price				
	Administrative expenses and other expenses	1,240.07	1,278.96	Cost plus margin or agreed price				
	Rental expenses	2,428.00	2,427.84	Agreed price				

Company Name	Transactions with Related Companies				Relationship SIAM and Related Company		
	Transaction	2022	2021	The Policy pricing		% Holding Share	Directorship
		(Thousand Baht)	(Thousand Baht)				
Related Companies (CONTINUED)							
Lucky-Kingdom Center (Nakomratchasima) Co., Ltd.	Sales and service Income	0.00	0.00	Cost plus margin or agreed price	-	Mr.Wanchai Kunanantakul	
	Sales of raw materials/ factory supplies and others	0.00	0.00	Cost plus margin	-	Mr.Surapol Kunanantakul	
Lucky-Kingdom Center (Chiangmai) Co., Ltd.	Sales and service Income	0.00	0.00	Cost plus margin or agreed price	-	Mr.Wanchai Kunanantakul	
	Sales of raw materials/ factory supplies and others	0.00	0.00	Cost plus margin	-	Mr.Surapol Kunanantakul	
Union Autoparts Manufacturing Co., Ltd.	Sales and service Income	130.07	42.53	Cost plus margin or agreed price	1.72%	Mr.Wanchai Kunanantakul	
	Sales of raw materials/ factory supplies and others	4.15	1.26	Cost plus margin	-	Mr.Sittichai Kunanantakul	
Hirokoh (Thailand) Ltd.	Sales and service Income	1,731.20	1,740.96	Cost plus margin or agreed price	-	Same shareholder	
	Sales of raw materials/ factory supplies and others	2,762.75	2,769.81	Cost plus margin	-		
	Purchases of raw materials	64.50	58.00	Cost plus margin or agreed price	-		
	Purchases of finished goods	541.54	357.34	Agreed price	-		
	Purchases of assets	0.00	0.00	Agreed price	-		
Administrative expenses and other expenses	60.59	88.96	Cost plus margin or agreed price	-			

REPORT ON THE BOARD OF DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL REPORTS

The Board of Directors is responsible for the financial statements of Siam Steel International Public Company Limited and the financial information reflected in the form 56-1 One Report. Such financial statement was prepared according to the generally accepted accounting standards in Thailand by choosing to use appropriate and consistently-complied accounting policies and carefully exercising the Best discretion for the preparation as well as having adequate disclosures of essential information in the notes to the financial statements.

An effective system of internal control has been provided by the Board of Directors to ensure accuracy and completeness of the accounting information records The financial statements of the Company and subsidiary company have been audited by the auditors of Dharmniti Auditing Co., Ltd. For the audit, the Board of Directors provided the auditors with information and documents so that the auditor can perform an audit and give an opinion according to the accounting standards The auditor's comments are reflected in the auditor's report shown in the form 56-1 One Report.

In this regard, we also appointed the audit committee, comprising independent directors as experts having all qualifications in accordance with provisions of the Stock Exchange of Thailand, who are responsible for the quality of financial reports, the internal control system and opinions of the audit committee in this matter as reflected in the audit committee's report.

The Board of Directors is of the opinion that the overall Company's internal control system is satisfactory and can reasonably assure us that the financial statements of the Company and subsidiary company for the fiscal year ended December 31, 2022 are reliable as the generally accepted accounting standards and other laws and regulations are complied with.



(Mr. Wanchai Kunanantakul)

The Chairman

FINANCIAL HIGHLIGHTS

	2022 *	2021 *	2020 *
	1 Jan-31 Dec 2022	1 Jan-31 Dec 2021	1 Jan-31 Dec 2020
FINANCIAL PERFORMANCE (thousand baht)			
Total revenues from sales & services	1,919,093	1,737,565	1,740,516
Gross profit	229,686	253,460	346,943
Net profit (loss)	(54,224)	(5,029)	153,975
Net profit (loss) (Separate financial statement)	33,750	10,738	72,962
FINANCIAL POSITION (thousand baht)			
Total assets	3,490,952	3,538,178	3,666,538
Total liabilities	698,027	695,124	799,102
Shareholders' equity	2,792,925	2,843,054	2,867,436
Registered and paid up share capital	593,126	593,126	593,126
PER SHARE (BAHT)			
Par value	1	1	1
Book value	4.71	4.79	4.83
Earning (Loss) per share	(0.09)	(0.01)	0.26
Dividends	0.03 **	0.01 **	0.05 **
PROFITABILITY (%)			
Gross profit margin	11.97	14.59	19.93
Net profit (loss)	(2.83)	(0.29)	8.85
Return on total assets	(1.54)	(0.14)	3.46
Dividend payout	52.72 **	55.24 **	40.65 **

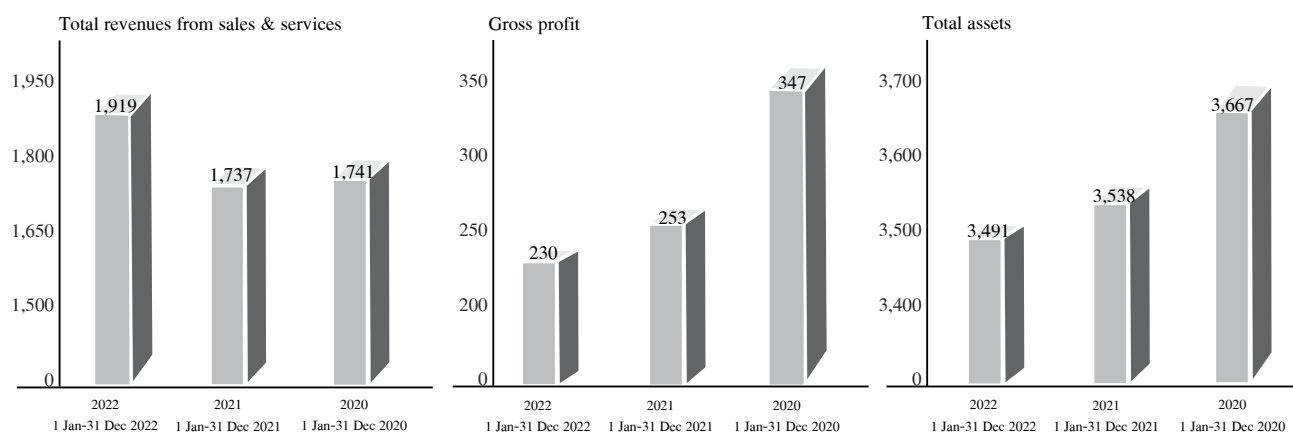
* Consolidated Financial Statement - The fiscal year 12 months is January - December

** For 2022 Dividend payment at 52.72% from profit in separate financial statement 33,750,430 Baht, its had been withheld until approve by the Annual

** For 2021 Dividend payment at 55.24% from profit in separate financial statement 10,737,812 Baht.

** For 2020 Dividend payment at 40.65% from profit in separate financial statement 72,961,851 Baht

(Unit : million baht)



INDEPENDENT AUDITOR'S REPORT

To The Shareholders and Board of Directors of
Siam Steel International Public Company Limited

Opinion

I have audited the consolidated financial statements of Siam Steel International Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at December 31, 2022, and the consolidated statement of comprehensive income, consolidated statement of changes in shareholders' equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and I have audited the separate financial statements of Siam Steel International Public Company Limited (the Company), which comprise the statement of financial position as at December 31, 2022, and the statement of comprehensive income, statement of changes in shareholders' equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of Siam Steel International Public Company Limited and its subsidiaries as at December 31, 2022, and its consolidated financial performance and its consolidated cash flows for the year then ended and the separate financial position of Siam Steel International Public Company Limited as at December 31, 2022, and its financial performance and its 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 describe in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matter

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statement 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.

Allowance for decline in value of inventories

The Group's inventories which are measured at the lower of cost and net realizable value. The group has provided an allowance for decline in value of inventories from the estimates of the management which requires using considerable judgment as such products have high market competition. It depends on the inventory life cycle which may cause a risk in the recognition of such estimate. As at December 31, 2022, inventories presented in the consolidated statement of financial position and separate statement of financial position amounted to Baht 309.95 million and Baht 108.70 million, respectively, which are material to the consolidated and separate financial statements. Therefore, I consider this is an area of focus.

Risk response by the auditor

My audit procedures were designed to assess the appropriateness of the allowance for decline in value of inventories and obsolescence understanding the policies and procedures that the Group's management applied for setting up allowance for decline in value of inventories, reasonableness testing on methodology used, information on holding period and movement of slow moving inventory that is appropriately classified, performing test on a sample basis of net realisable value of inventories, analyzing and comparing past and information during the year for the allowance estimate of actual loss, considering the sale of goods after the financial statement date, comparing the allowance for decline in value of inventory to assess the appropriateness of the allowance and enquiring the management plan of such product group.

Impairment assessment of investment in the subsidiary

As at December 31, 2022, investment in the subsidiary amounted Baht 245.17 million or 10.26% of total assets and the Company has disclosed relating to the investment in the subsidiary in Note 12. The management of the Company has to consider whether it indicates an impairment of investment in the separate financial statements of the company or not. In addition, the management has to estimate the recoverable amount of the subsidiary to consider the estimate for impairment. Such estimate requires the judgment of the management regarding significant assumptions in the forecast of each subsidiary. I, therefore, consider it to be significant matter in the audit.

Response by the auditor

Significant audit methods include understanding about work procedure, related internal control, recognition of impairment, review of compliance to related internal control, assessment of the method used by management in measuring investment in subsidiary and information used in considering impairment as well as testing significant assumption, comparative analysis of internal and external information to assess various estimates calculated by the specialist and testing the calculation of the recoverable value.

Revenue recognition from sales and service

The Group has revenue from sales and service that is significant and a large customer base. Sales of goods or service were under different conditions and revenue recognition depends on the conditions in the agreement or various types of business agreement such as production with installation agreement, production by order of the customer, sale agreement with distributor group. Therefore, it is considered that revenue is a significant matter in the audit. The importance is given to the recognition of revenue from sales and service that it has recognized transaction including disclosure of information according to the financial reporting standards. The accounting policy for revenue has been disclosed in Note 4.1.

Response by the auditor

I understood and tested the internal control system related to revenue cycle, audited the revenue recognition of each company type taking into account of the timing in handing over the control of goods and service to assess the recognition of revenue in accordance with the financial reporting standards No. 15 agreement made with customer. I had audited the revenue adjustment during the year and checked revenue cut off near the end of the year and the document issued by the company after year end.

Revenue recognition from construction agreement and cost of construction

Referring to Note 4.1 on revenue recognition from construction agreement, the Company recognized revenue from construction agreement when the performance obligation is completed under the contract condition by transferring the promised service to customer over time. The service are transferred when the customer obtain control of those service by measuring progress by assessing the stage of work completion from the obligation to be performed through input factor. revenue recognition, percentage of completion, cost estimation and loss estimate of the project that may arise requires using judgment from the management which may cause the risk with the revenue recognition, cost and loss estimate that may arise from the construction contract.

Response by the auditor

I have enquired to understand and tested the internal control for revenue recognition, project cost estimation, and ratio of the construction stage of completion, audited the actual cost that arises with document to compare with the cost estimate and audited the basis of project cost estimates, tested the calculation of the stage of work completion, joined the physical investigation by visiting the project near year end and compare the progress of the actual construction against the stage of work completion. In addition, I used the comparative analysis of the stage of work completion assessed by the engineer with the stage of work completion that arises from the actual cost and enquired the cause of the difference, analyzed, compared gross profit and assessed the loss estimate that may arise by comparing the actual cost and the total estimate.

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 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 financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

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 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 in order for those charged with governance to correct 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 consolidated financial statements and separate 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 consolidated financial statements and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, 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 financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated financial statements 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 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 consolidated financial statements and separate financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements 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 financial statements 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 financial statements and separate financial statements, including the disclosures, and whether the consolidated financial statements and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

● Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with 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 we 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 consolidated financial statements 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.

The engagement partner responsible for the audit resulting in this independent auditor's report is Miss Wannisa Ngambuathong.

(Miss Wannisa Ngambuathong)
Certified Public Accountant
Registration No. 6838

Dharmniti Auditing Company Limited
Bangkok, Thailand
February 27, 2023

THE STATEMENTS OF FINANCIAL POSITION

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

AS AT DECEMBER 31, 2022

		<u>ASSETS</u>				
		In Baht				
		Consolidated financial statements		Separate financial statements		
		As at December	As at December	As at December	As at December	
Note		31, 2022	31, 2021	31, 2022	31, 2021	
CURRENT ASSETS						
	Cash and cash equivalents	6	279,913,290	249,586,787	165,593,977	160,484,246
	Trade accounts receivable from sales and services					
	- general companies	7	191,326,368	191,242,255	167,318,847	132,490,332
	- related companies	5, 7	15,832,910	25,291,386	4,332,166	6,529,289
	Other current receivables					
	- general companies		47,218,801	29,717,790	43,286,369	10,554,157
	- related companies	5	2,000,149	1,353,912	254,131,650	224,840,466
	Trade accounts receivable from construction work	7	-	2,602,530	-	2,602,530
	Current contract assets	7	40,359,308	24,245,327	40,359,308	24,245,327
	Inventories	8	309,947,393	349,944,646	108,696,368	164,726,638
	Advance for purchase of inventories		53,047,542	64,784,383	53,047,542	64,784,383
	Short-term loan to related companies	5	-	-	57,668,172	57,690,730
	Other current assets	9	41,215,775	35,007,808	7,993,216	11,746,634
	Total current assets		980,861,536	973,776,824	902,427,615	860,694,732

Notes to financial statements form an integral part of these statement

THE STATEMENTS OF FINANCIAL POSITION (CONT.)

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

AS AT DECEMBER 31, 2022

AS AT DECEMBER 31, 2022

ASSETS (CONT.)

		In Baht			
		Consolidated financial statements		Separate financial statements	
		As at December	As at December	As at December	As at December
Note		31, 2022	31, 2021	31, 2022	31, 2021
NON-CURRENT ASSETS					
	Restricted deposit with bank	10	6,114,796	5,640,426	5,420,000
	Trade and other non-current receivables		66,044,360	54,505,551	66,044,360
	Other non-current financial assets	11	107,576,206	84,530,079	107,576,206
	Investment				
	- subsidiaries companies	12	-	-	245,172,117
	- associated companies	12	898,332,664	877,986,370	163,547,300
	Property, plant and equipment	14	1,405,767,196	1,511,950,239	889,767,447
	Right-of-use assets	15	24,170,396	25,950,162	9,829,941
	Deferred tax assets	16	-	-	878,192
	Other non-current assets		2,085,241	3,838,516	327,600
	Total non-current assets		2,510,090,859	2,564,401,343	1,487,684,971
	TOTAL ASSETS		3,490,952,395	3,538,178,167	2,361,910,009

Notes to financial statements form an integral part of these statement

THE STATEMENTS OF FINANCIAL POSITION (CONT.)

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

AS AT DECEMBER 31, 2022

LIABILITIES AND SHAREHOLDERS' EQUITY

		In Baht				
		Consolidated financial statements		Separate financial statements		
		As at December	As at December	As at December	As at December	
Note		31, 2022	31, 2021	31, 2022	31, 2021	
CURRENT LIABILITIES						
	Short-term loans from financial institutions	17	63,000,000	65,000,000	3,000,000	-
	Short-term loans from related companies	5	101,350,000	51,050,000	-	-
	Trade accounts payable - general companies		168,797,541	185,916,410	102,491,314	91,556,646
	Other current payable - general companies	18	137,905,995	151,421,991	117,283,819	127,714,933
	Trade and other current payables - related companies	5	24,066,119	20,911,139	20,707,552	21,877,634
	Current contract liabilities		-	16,946,522	-	16,946,522
	Current portion of					
	- Long-term loan from financial institutions	19	1,399,279	5,784,000	1,399,279	5,784,000
	- Lease liabilities	20	8,432,560	9,271,002	3,105,305	3,419,091
	Current provisions for employee benefits	21	19,972,168	16,678,903	18,580,391	16,367,700
	Other current liabilities		19,787,789	10,193,944	18,840,380	8,989,478
	Total current liabilities		544,711,451	533,173,911	285,408,040	292,656,004
NON-CURRENT LIABILITIES						
	Long-term loans from financial institutions	19	-	1,399,279	-	1,399,279
	Lease liabilities	20	11,932,743	14,662,412	7,284,236	6,074,273
	Non-current provisions for employee benefits	21	48,486,417	52,345,645	30,191,813	33,979,732

Notes to financial statements form an integral part of these statement

THE STATEMENTS OF FINANCIAL POSITION (CONT.)

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

AS AT DECEMBER 31, 2022

AS AT DECEMBER 31, 2022

LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)

		In Baht			
		Consolidated financial statements		Separate financial statements	
		As at December	As at December	As at December	As at December
Note		31, 2022	31, 2021	31, 2022	31, 2021
SHAREHOLDERS' EQUITY					
Share capital - common share at Baht 1 par value					
	- Registered 593,125,849 shares	593,125,849	593,125,849	593,125,849	593,125,849
	- Issued and paid - up 593,125,849 shares	593,125,849	593,125,849	593,125,849	593,125,849
	Premium on ordinary shares	72,403,683	72,403,683	72,403,683	72,403,683
Retained earnings					
	- Appropriated legal reserve	59,312,585	59,312,585	59,312,585	59,312,585
	- Unappropriated	1,771,814,164	1,829,953,221	1,237,613,320	1,207,473,741
	Other components of equity	79,134,395	67,661,029	46,291,044	34,817,678
	Total shareholder's equity of the parent company	2,575,790,676	2,622,456,367	2,008,746,481	1,967,133,536
	Non-controlling interests	217,134,483	220,597,775	-	-
	TOTAL SHAREHOLDERS' EQUITY	2,792,925,159	2,843,054,142	2,008,746,481	1,967,133,536
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	3,490,952,395	3,538,178,167	2,390,112,586	2,361,910,009

Notes to financial statements form an integral part of these statement

THE STATEMENTS OF COMPREHENSIVE INCOME

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

FOR THE YEAR ENDED DECEMBER 31, 2022

	Note	In Baht			
		Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Revenues					
Sales and services income	5, 30	1,812,327,666	1,647,422,934	823,126,099	773,033,218
Construction income	30	106,765,497	90,141,532	106,765,497	90,141,532
Total revenues		1,919,093,163	1,737,564,466	929,891,596	863,174,750
Cost					
Cost of sales and services	27	(1,589,719,514)	(1,406,089,727)	(645,623,157)	(586,735,295)
Cost of construction	27	(99,688,007)	(78,015,168)	(99,688,007)	(78,015,168)
Total cost		(1,689,407,521)	(1,484,104,895)	(745,311,164)	(664,750,463)
Gross profit		229,685,642	253,459,571	184,580,432	198,424,287
Dividend income	5, 12	21,290,727	18,333,579	66,379,656	43,804,166
Other income	26	67,111,625	73,397,578	78,129,727	61,365,514
Profit before expenses		318,087,994	345,190,728	329,089,815	303,593,967
Selling expenses		(147,195,650)	(156,525,812)	(143,401,489)	(155,709,848)
Administrative expenses	5	(285,879,420)	(243,813,194)	(151,807,200)	(137,449,788)
Total expenses		(433,075,070)	(400,339,006)	(295,208,689)	(293,159,636)
Profit (loss) from operations		(114,987,076)	(55,148,278)	33,881,126	10,434,331
Finance costs	5	(3,827,429)	(3,939,900)	(1,641,543)	(1,620,330)
Profit (loss) before equity in net income of associated companies		(118,814,505)	(59,088,178)	32,239,583	8,814,001
Share of profit from investment in associated companies	12	65,912,183	57,366,003	-	-
Profit (loss) before income tax expense		(52,902,322)	(1,722,175)	32,239,583	8,814,001
Tax expenses (income)	28	80,809	(2,767,920)	(1,510,847)	(1,923,811)
Profit (loss) from continued operation for the year		(52,983,131)	1,045,745	33,750,430	10,737,812

Notes to financial statements form an integral part of these statement

THE STATEMENTS OF COMPREHENSIVE INCOME (CONT.)

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

FOR THE YEAR ENDED DECEMBER 31, 2022

		In Baht				
		Consolidated financial statements		Separate financial statements		
Note		2022	2021	2022	2021	
Other comprehensive income						
Items that will not be reclassified subsequently to profit or loss						
	Actuarial gains (loss) on defined employee benefit plan, net of tax	21	2,394,625	1,705,953	2,320,385	-
	Gain (loss) on measured of financial assets - net of tax		11,473,366	6,402,281	11,473,366	6,402,281
	Equity in comprehensive income of associated company	12	(378,149)	662,798	-	-
Items subsequently reclassifiable to profit or loss						
			-	-	-	-
Other comprehensive income (expense) for the year						
			13,489,842	8,771,032	13,793,751	6,402,281
Total comprehensive income (expense) for the year						
			(39,493,289)	9,816,777	47,544,181	17,140,093
Profit (loss) attributable for the year						
	Equity holder of the Company		(54,224,296)	(5,029,427)	33,750,430	10,737,812
	Non-controlling interests of the subsidiaries		1,241,165	6,075,172	-	-
			(52,983,131)	1,045,745	33,750,430	10,737,812
The comprehensive income (expense) for the year						
	Equity holder of the Company		(40,734,454)	2,905,688	47,544,181	17,140,093
	Non-controlling interests of the subsidiaries		1,241,165	6,911,089	-	-
			(39,493,289)	9,816,777	47,544,181	17,140,093
Basic earnings per share						
Profit (loss) attributable to equity						
	holders of the Company (Baht per share)	29	(0.091)	(0.008)	0.057	0.018
	Weighted average number of common shares (share)		593,125,849	593,125,849	593,125,849	593,125,849

Notes to financial statements form an integral part of these statement

THE STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

FOR THE YEAR ENDED DECEMBER 31, 2022

	Consolidated financial statements										
	In Baht										
	Shareholders' equity of the parent company										
	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings	Unappropriated	Appropriated - Legal reserve	Unappropriated	Surplus from change in proportion of investment in subsidiary company	Other comprehensive income	Gain (loss) on financial assets measured at fair value through other comprehensive income	Total	Non-controlling interests
593,125,849	72,403,683	59,312,585	1,863,105,357	32,843,351	28,415,397	61,258,748	2,649,206,222	218,229,651	2,867,435,873		
Balance as at January 1, 2021											
Transaction with shareholder											
Dividend											
Dividend paid by subsidiary to non-controlling interest											
Comprehensive income (expense) for the year											
Profit (loss) for the year											
Other comprehensive income (expense) for the year											
Balance as at December 31, 2021	593,125,849	72,403,683	59,312,585	1,829,953,221	32,843,351	34,817,678	2,622,456,367	220,597,775	2,843,054,142		
Transaction with shareholder											
Dividend											
Dividend paid by subsidiary to non-controlling interest											
Comprehensive income (expense) for the year											
Profit (loss) for the year											
Other comprehensive income (expense) for the year											
Balance as at December 31, 2022	593,125,849	72,403,683	59,312,585	1,771,814,164	32,843,351	46,291,044	2,575,790,676	217,134,483	2,792,925,159		

Notes to financial statements form an integral part of these statement

THE STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONT.)

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2022

	In Baht					
	Separate financial statements					
	Issued and paid-up share capital	Premium on ordinary shares	Shareholders' equity of the parent company		Other components of shareholders' equity	
Retained earnings			Unappropriated	Appropriated - legal reserve	Gain (loss) on financial assets measured at fair value through other comprehensive income	
Balance as at January 1, 2021	593,125,849	72,403,683	59,312,585	1,226,391,473	28,415,397	1,979,648,987
Transaction with shareholder	-	-	-	(29,655,543)	-	(29,655,543)
Dividend	-	-	-	10,737,812	-	10,737,812
Comprehensive income (expense) for the year	-	-	-	-	6,402,281	6,402,281
Profit for the year	-	-	-	-	-	-
Other comprehensive income (expense) for the year	-	-	-	-	6,402,281	6,402,281
Balance as at December 31, 2021	593,125,849	72,403,683	59,312,585	1,207,473,742	34,817,678	1,967,133,537
Transaction with shareholder	-	-	-	(5,931,237)	-	(5,931,237)
Dividend	-	-	-	33,750,430	-	33,750,430
Comprehensive income (expense) for the year	-	-	-	2,320,385	11,473,366	13,793,751
Profit for the year	-	-	-	2,320,385	11,473,366	13,793,751
Other comprehensive income (expense) for the year	-	-	-	-	11,473,366	11,473,366
Balance as at December 31, 2022	593,125,849	72,403,683	59,312,585	1,237,613,320	46,291,044	2,008,746,481

Notes to financial statements form an integral part of these statement

THE STATEMENTS OF CASH FLOWS

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

FOR THE YEAR ENDED DECEMBER 31, 2022

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from operating activities				
Profit (loss) before income tax expense	(52,902,322)	(1,722,175)	32,239,583	8,814,002
Adjustments to reconcile income (loss) before income tax to net cash provided from (used in) operating activities:				
Depreciation and amortization	106,290,213	99,826,772	54,175,197	44,869,772
Allowance for expected credit losses (reversal)	15,624,558	4,731,110	614,750	121,465
Allowance for decline value of inventories (reversal)	(1,106,067)	3,943,805	1,304,467	1,190,419
Allowance for impairment of assets	22,684,547	-	-	-
Loss from write-off asset	50	6,437,545	50	5,482,503
Gain (loss) on sales of assets	(2,834,735)	726,249	(2,510,999)	(183,789)
Unrealized loss on foreign exchange rate	2,986,437	378,878	529,710	79,751
Profit from on sale of investment in indirect associated company	(212,834)	-	-	-
Dividend income	(21,290,727)	(18,333,579)	(66,379,656)	(43,804,166)
Interest income	(822,018)	(871,524)	(3,137,982)	(2,812,317)
Finance costs	3,827,429	3,939,900	1,641,543	1,620,330
Equity in net income of associated companies	(65,912,183)	(57,366,003)	-	-
Provision for employee benefits expenses	3,139,005	3,705,869	1,745,207	2,258,040
Gain from lease agreement termination	(23,095)	(106,699)	(20,725)	(101,598)
Cash provided from (used in) operations before changes in operating assets and liabilities	9,448,258	45,290,148	20,201,145	17,534,412
(Increase) decrease in operating assets				
Trade accounts receivable from sales and services				
- general companies	(2,463,364)	(35,447,129)	(35,327,074)	(32,780,533)
- related companies	9,458,476	(12,996,988)	2,197,123	(3,701,111)
Other current receivables				
- general companies	(31,250,324)	39,064,191	(32,732,211)	(10,554,158)
- related companies	(646,237)	(904,107)	(26,982,566)	(14,093,641)
Trade accounts receivable from construction work	2,602,530	53,124,758	2,602,530	53,124,758
Current contract assets	(16,113,982)	5,957,342	(16,113,982)	5,957,342
Inventories	53,055,309	(112,082,275)	66,677,791	(37,778,991)
Advances for purchase of inventories	11,736,842	16,029,571	11,736,842	16,029,571
Other current assets	(6,744,106)	(2,444,475)	(1,804,065)	(3,854,745)
Trade and other non-current receivables	(13,976,202)	2,744,852	(14,023,808)	2,710,079
Other non - current assets	1,753,274	(2,784,950)	59,950	1,200

Notes to financial statements form an integral part of these statement

THE STATEMENTS OF CASH FLOWS (CONT.)

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31,2022

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Increase (decrease) in operating liabilities				
Trade accounts payable - general companies	(19,432,443)	1,652,530	10,864,501	(38,296,501)
Trade and other current payables - related companies	2,373,117	(8,732,550)	(10,419,071)	(6,935,831)
Other current payable - general companies	(13,515,995)	(13,352,779)	(1,170,083)	(26,638,469)
Current contract liabilities	(16,946,522)	16,946,522	(16,946,522)	16,946,522
Other current liabilities	9,593,845	(53,373,521)	9,850,902	(6,455,927)
Employee benefits obligation paid	(940,367)	(1,510,220)	(787,216)	(1,395,620)
Other non - current liabilities	(11,479,310)	13,153,786	(11,948,989)	13,153,786
Cash provided from (used in) operations	(33,487,201)	(49,665,294)	(44,064,803)	(57,027,857)
Cash paid for interest	(1,699,705)	(225,030)	(720,529)	(497,273)
Income tax payment	(4,903,354)	(7,608,990)	(3,562,253)	(5,879,264)
Cash received from refund tax	6,047,252	-	6,047,252	-
Net cash provided from (used in) operating activities	(34,043,008)	(57,499,314)	(42,300,333)	(63,404,394)
Cash flows from investing activities				
(Increase) decrease in restricted deposit with bank	(474,370)	(191,928)	-	-
Acquisition of assets	(20,473,666)	(63,850,614)	(8,418,196)	(53,405,480)
Proceeds from sales of assets	2,844,281	460,747	2,520,265	183,814
Cash payment for investment in associated	-	(26,320,000)	-	(26,320,000)
Indirect subsidiary an return investment to non-controlling interests	-	-	-	42,000,000
Cash received from interest income	796,339	513,347	376,291	2,374,505
Dividend income	61,483,314	39,076,021	66,379,656	43,804,166
Net cash provided from (used in) investing activities	44,175,898	(50,312,427)	60,858,016	8,637,005

Notes to financial statements form an integral part of these statement

THE STATEMENTS OF CASH FLOWS (CONT.)

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

FOR THE YEAR ENDED DECEMBER 31, 2022

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from financing activities				
Increase (decrease) in short-term loan from financial institution	(2,000,000)	25,000,000	3,000,000	-
Increase in short-term loans from related parties	53,050,000	14,800,000	-	-
Cash paid for short-term loans from related parties	(2,750,000)	(28,300,000)	-	-
Cash paid for lease liabilities	(11,543,516)	(10,563,976)	(4,625,922)	(4,152,423)
Cash paid for long-term loans from financial institution	(5,784,000)	(69,845,578)	(5,784,000)	(5,784,000)
Dividend paid	(5,931,237)	(29,655,543)	(5,931,237)	(29,655,543)
Dividend paid by subsidiary to non-controlling interest	(4,704,457)	(4,542,965)	-	-
Net cash provided from (used in) financing activities	20,336,790	(103,108,062)	(13,341,159)	(39,591,966)
Unrealized gain (loss) on exchange rate of cash at banks	(143,177)	-	(106,793)	-
Increase (decrease) in cash and cash equivalents-net	30,326,503	(210,919,803)	5,109,731	(94,359,355)
Cash and cash equivalents at the beginning of the year	249,586,787	460,506,590	160,484,246	254,843,601
Cash and cash equivalents at the end of the year	279,913,290	249,586,787	165,593,977	160,484,246
Supplemental cash flows information				
Non - cash transaction				
- Acquisition of right-of-use assets under lease contract	7,662,382	9,730,672	5,430,096	3,152,892
- Transfer of land, building and equipment to inventory	11,951,988	-	11,951,988	-
- Transfer of other current assets, land, building and equipment	5,893,531	-	5,893,531	-

Notes to financial statements form an integral part of these statement

NOTES TO INTERIM FINANCIAL STATEMENTS

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

DECEMBER 31, 2022

1. GENERAL INFORMATION

1.1 General information of the company

(a) Legal status and address

Siam Steel International Public Company Limited was registered as limited company on August 28, 1979 under Thai law and registered conversion to public company limited on December 27, 1993.

The address of its registered office is as follow :

51 Moo 2 Poochao Road, Bangyaprak, Phrapradaeng, Samuthprakarn.

(b) Nature of the Company's business

The principal activities of the Company and its subsidiary companies is the manufacturing and sales of steel office equipment and furniture parts, construction services and alternative energy sector.

(c) Major shareholder

As at December 31, 2022 and 2021, the Company's major shareholders are as follows :

	Percentage (%)	
	2022	2021
Family "Kunanantakul"	48.64	35.41
Family "Hoonthanasevee"	8.47	0.44
Family "Pongphundacha"	8.00	29.24
Thai NVDR Company Limited.	2.48	2.51
Family "Witchayawilat"	2.37	2.37

1.2 Coronavirus disease 2019 pandemic

The Coronavirus disease 2019 pandemic is a new wave and continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries as a whole. This situation may affect the results of operations of business. Nevertheless, the management of the Group have continuously monitored ongoing developments and regularly assess the financial impact in respect of the valuation of assets, provisions and contingent liabilities.

2. Basis for consolidated interim financial statements and operation

2.1 There financial statements were prepared by consolidating the financial statement of Siam Steel International (Public) Company Limited and subsidiaries which Siam Steel International (Public) Company Limited held direct and indirect shares as follows :

Company	Percentage of shareholding (%)		Type of business
	As at December 31, 2022	As at December 31, 2021	
<u>Subsidiary companies</u>			
Sri Chareon International Co., Ltd.	99.99	99.99	Distribution of office furniture and furniture parts
Siam Steel OC Co., Ltd.	51.00	51.00	Distribution of equipment, office furniture and industrial parts
Siam International Energy Co., Ltd.	99.99	99.99	Investment in alternative energy
Siam Okamura Steel Co., Ltd.	51.00	51.00	Manufacturing of steel office furniture
<u>Indirect subsidiary companies - held by</u>			
<u>Siam International Energy Co., Ltd.</u>			
Bangphra Green Energy Co., Ltd.	99.99	99.99	Manufacturing and distribution of solar equipment and investment in solar energy plant project
Siam International Biomass Co., Ltd.	99.99	99.99	Manufacturing and distribution of fuel stick from waste biomass and other for use as fuel
Siam Biomass Product Co., Ltd.	99.99	99.99	Purchase, manufacturing and distribution of fuel stick from waste biomass and other fuel for use as fuel
Siam Forest Management Co., Ltd.	60.00	60.00	Manufacturing and distribution of fuel stick from waste biomass and other for use as fuel
<u>Indirect subsidiary companies - held by</u>			
<u>Siam Biomass Product Co., Ltd.</u>			
Siam Biomass Manufacturing Ltd.	99.99	99.99	Manufacturing and distribution of renewable energy

2.2 As of December 31, 2022 and 2021, the total assets of subsidiary companies represent 22% and 24%, respectively, of the total assets in the consolidated financial statements, and total revenues of subsidiary companies for the year ended December 31, 2022 and 2021, represent 53% and 52%, respectively, of the total revenues in the consolidated financial statements.

- 2.3 The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- 2.4 The consolidated financial statements are prepared by using uniform accounting policies. So that the transaction and the others event which are the same or the similar circumstances have been used the identical policies to record those transaction.
- 2.5 Outstanding balances between The Group, significant intercompany transactions, investment balance in the Company's books and share capital of the subsidiaries are eliminated from the consolidated financial statements.
- 2.6 Investments in subsidiaries (at cost) and fair value of the subsidiaries at the date of acquisition have been offset and the difference there of has been shown as asset under the heading of "Goodwill" and to consider impairment loss.
- 2.7 Subsidiaries are fully consolidated as from the date of acquisition, being the date on which the Company obtains control.
- 2.8 Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

3. BASIS FOR PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENT

3.1 Basis for preparation of the financial statements

The financial statements have been prepared in accordance with the accounting standards prescribed by Thai Accounts Act enunciated under the Accounting Profession Act B.E.2547 by complying with the financial reporting standards. The presentation of the financial statements has been made in compliance with the Notification of the Department of Business Development, the Ministry of Commerce, re : the financial statements presentation for public limited company, issued under the Accounting Act B.E.2543.

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

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

3.2 Financial reporting standards that became effective in the current period

During the period, the Company and its subsidiaries have adopted the revised financial reporting standards, which are effective for fiscal years beginning on or after January 1, 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting practices, accounting guidance and disclosures in the notes to the financial statements and, for some standards, providing temporary reliefs or temporary exemptions to users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the financial statements in the current period.

3.3 Revised Financial Reporting Standards that will become effective for the financial statements with the accounting period beginning on or after January 1, 2023

The Federation of Accounting Professions has announced to apply several revised financial reporting standards in the Royal Gazette. This will become effective for the financial statements with the accounting period beginning on or after January 1, 2023. This revision is for the financial reporting standards to be clearer and more appropriate and to conform with international financial reporting standards. Such revision does not affect the principles of the standards and does not affect the users of the financial reporting standards adopted before 2023.

The management of the Group believe that this revision of the standards will not significantly affect the financial statements.

3.4 New Financial Reporting Standards

The Federation of Accounting Professions has announced to apply the Financial Reporting Standard No.17 on “Insurance Contract” in the Royal Gazette. This standard requires to comply with the defined criteria of the international reporting standards including various related improvements. The effective date is to apply on the financial statements for the accounting period beginning on or after January 1, 2025.

4. SIGNIFICANT ACCOUNTING POLICIES

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

4.1 Revenue

Revenue excludes value added taxes and is arrived at after deduction of trade discounts and volume rebates.

Sale of goods

Revenue from sale of goods is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns and discounts.

Goods sales and installation

Revenue from sale of goods is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns and discounts. which the Group will recognize revenue when install completely and already deliver to the customer.

Revenue from service and construct services

Revenue from service and construct services is recognized when the Group satisfies a performance obligation identified in contract by transferring services to customers over time. The services are transferred when the customers obtain control of those services. The Group measures progress towards complete satisfaction of a performance obligation by input method. If the payments exceed the services rendered, a contract liability is recognized. On the other hand, if payments less than the service rendered, a contract asset is recognized.

Revenue recognised but not due for payment under the agreement is presented as unbilled revenue in the statement of financial position which will be classified as trade accounts receivable when the company is entitled to receive payment without conditions such as when the company's service is complete and work is delivered to the customer.

The amount received or entitled to receive from the customer but still has an obligation to transfer product or service to the customer is presented as "contract liabilities" in the statement of financial position which is recognised as revenue when the obligation has been performed as specified by the agreement.

Dividends

Dividends are recognize as income when having the rights to receive the dividends.

Interest income

Interest income is recognized in profit or loss as it accrues.

Other income

Other income is recognized on an accrual basis.

4.2 Financial assets and financial liabilities

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortized cost, fair value through other comprehensive income, or fair value through profit or loss. The classification of financial assets at initial recognition is driven by the Company and its subsidiaries' business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Equity instruments can be classified and cannot be changed by two types of measurement which are measuring fair value through profit or loss or measuring fair value through other comprehensive income that without recycling to profit or loss.

The initial recognition of financial assets that are not measured at fair value through profit or loss with fair value plus or deduct transaction cost directly related to the acquisition or issuance. Financial assets that are measured at fair value through profit or loss, transaction costs are recognized as expense in profit or loss.

Subsequent measurement of debt instruments by 3 methods depend on the classification of debt instruments.

- Financial assets measured at amortized cost when financial assets are held to receive cash flow under the agreement and condition of the agreement of the financial assets that generate cash flow to pay the principal and interest from the principal balance on the specified date only. Such financial assets have to be calculated using the effective rate and are subject to impairment assessment. Profit or loss arising from derecognized, modified or impaired will be recognized in profit or loss.
- Financial assets measured at fair value through other comprehensive income when financial assets are held to receive cash flow under the agreement and to sell financial assets and the agreement condition of financial assets generating cash flow that only pays the principal and interest from the principal balance on the specified date. The change of value of financial assets is recognized through other comprehensive income except loss on impairment and interest income and gain and loss on exchange rate are recognized as profit or loss upon recognized of financial assets. Earning or deficit previously recognized in other comprehensive income has to be reclassified into profit or loss. Such financial asset has to be calculated using the effective interest rate same as financial assets measured at amortized cost.
- Financial assets measured at fair value through profit or loss when financial assets that do not meet the criteria for amortized cost or financial assets measured at fair value through other comprehensive income will be presented in the statement of financial position at fair value by recognizing the net change of fair value in profit or loss.

Subsequent valuation of equity instruments must present equity instruments using the fair value and record profit/loss from change in fair value through profit or loss or other comprehensive income depending on equity instruments classification.

Classification and valuation of financial liabilities

The Group are recognized initially of financial liabilities at fair value net of transaction costs and classified as financial liabilities as financial liabilities subsequently measured at amortized cost using the effective rate. The amortized cost is calculated taking into account fees or costs that are an integral part of the effective rate. Amortization by the effective rate is presented as part of financial costs in profit or loss.

Derivative

Derivative is recognized at fair value and measured fair value at the end of the reporting period. Profit or loss from fair value remeasurement is recognized in profit or loss immediately unless that derivative is used for hedge.

Derecognition of financial instruments

Financial assets will be derecognized from the account when the right to receive cash flow of such asset has ended or when the right to receive cash flow of the assets is transferred including upon the transfer of all risk and consideration of that asset or transfer of internal control in that asset although there is no transfer or maintaining of nearly all risk and consideration of such asset.

Financial liabilities will be derecognized from the account when the obligation of such liabilities has been complied, the obligation is cancelled or the obligation has ended. In case existing financial liabilities are changed to new liabilities from one single lender with considerably different requirements or there is a significant amendment in the requirements of existing liabilities, these are considered as recognition old liabilities and recognizing new liabilities by recognizing the difference of such carrying value under profit or loss.

Impairment of financial assets

Expected credit loss for financial assets measured at amortized cost or debt instrument financial asset measured at fair value through other comprehensive income and assets arising from credit facility obligation and financial guarantee agreement are assessed without having to wait for the credit event to occur first. The Group use the general approach in considering the allowance for loss on impairment. For trade receivables, The Group apply a simplified approach in calculating ECLs. The Group recognize a loss based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

Offset of financial instruments

Financial assets and liabilities will be offset and presented at net balance in the statement of financial position in the case legally enforced in offsetting the recognized amount. The Company and its subsidiaries intend to pay the net balance or intends to receive assets and settle payment of liabilities at the same time.

4.3 Cash and cash equivalents

Cash and cash equivalents include cash on hand and highly liquid cash in banks (which do not have restriction of usage) that are readily convertible to cash on maturity date with insignificant risk of change in value.

Restricted deposit with bank is presented under non - current assets in the statement of financial position.

4.4 Trade receivables

Trade receivables are stated at their invoice value less allowance for expected credit losses unless they contain significant financing components, when they are recognized at present value.

The allowance for expected credit losses is disclosed in Note 4.2

4.5 Inventories

Inventory is stated at cost or net realisable value, whichever is lower.

The Group value their inventory by the following methods :

	<u>Appraisal Method</u>
Finished goods bought per sale - the Company	Stated at cost (moving average) or net realisable value, whichever is lower.
- subsidiary	Stated at cost (moving average and FIFO) or net realisable value, whichever is lower.
Finished goods own - production	Stated at cost (moving average) or net realisable value, whichever is lower.
Goods during production	Stated at cost (moving average)
Raw material	Stated at cost (specific price)
Material	Stated at cost (moving average)

Cost of inventory consist of total purchase cost, conversion cost and other cost incurred for that inventory to be in the present location and condition. Such conversion cost includes the allocation of appropriate manufacturing expense taking into account of normal production

capacity

Cost of purchase consist of purchase price and related expense to the product purchase such as import duty, transportation and other cost directly involved with the acquisition of product and deducted of trade discounts and rebates.

Net realisable value is the estimate of expected selling price in the normal course of business less production cost estimate to complete the production and cost necessary to pay for selling the goods.

4.6 Investments in related companies

Investments in the Group in separate financial statements are presented by the cost method. The Company recognizes gain or loss on sale in the statement of profit or loss and other comprehensive income in the period which investments are sold. When there is an indication of impairment on investment, the Company will recognize loss from impairment as expense out rightly in the statement of comprehensive income. The Company recognizes dividends income when the subsidiary companies declare the payments of their dividends.

Subsidiary companies

Subsidiary companies are entities controlled by the Company. The Company 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 Subsidiary companies are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Loss of control

When the Company loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Interests in equity-accounted investees

The Company's interests in equity-accounted investees comprise interests in associates.

Associated

Associates are those entities in which the Company has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associates is accounted for using the equity method. They are recognized initially

at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Company's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence.

Transactions eliminated on consolidation

Intra-company balances and transactions, and any unrealized income or expenses arising from intra-company transactions, are eliminated. Unrealized gains arising from transactions with associate companies and jointly control entity are eliminated against the investment to the extent of the Company's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

4.7 Goodwill

Goodwill represents the excess of the cost of investment over the fair value of investment, which the Company shares in the net identifiable assets of the subsidiary or associate at the date of acquisition. Goodwill on acquisition of a subsidiary is presented as a separate line in the consolidated financial statement. Goodwill on acquisition of an associate is included in investments in associates and is tested for impairment as part of the overall balance.

The goodwill recognized is tested annually for impairment and carried at cost less accumulated impairment losses. The impairment of goodwill is determined by calculating the realizable value based on the value-in-use calculation or fair value less costs to sell. Such calculation requires the use of estimates made by management. The allowance for impairment loss on goodwill is not reversed.

As for the cost of acquiring an investment that is lower than the fair value of the share of net assets of the subsidiary, the difference is negative goodwill and will be recognized immediately in the statement of comprehensive income.

4.8 Property, plant and equipment and depreciation

Land is stated at cost. Plant and equipment are stated at cost less accumulated depreciation and allowance on impairment (if any).

Cost is initially recognized upon acquisition of assets along with other direct costs attributing to acquiring such assets in the condition ready to serve the objectives, including the costs of asset demolition, removal and restoration of the asset location, which are the obligations of the company (if any).

Depreciation of plant and equipment is calculated by cost less residual value on the straight-line basis over the following estimated useful lives:

Building and improvements	5 – 20 and 32 years
Machinery and equipment	5 - 10 years
Furniture, fixtures and office equipment	5 years
Transportation equipment.	5 years

The Group has reviewed the residual value and useful life of the assets every year.

The depreciation for each asset component is calculated on the separate components when each component has significant cost compared to the total cost of that asset.

Depreciation is included in determining income.

No depreciation is provided on land, construction in progress and equipment under installation.

Property, plant and equipment are written off at disposal. Gains or losses arising from sale or write-off of assets are recognized in the statement of comprehensive income.

4.9 Borrowing costs

Borrowing costs directly attributed to the acquisition or construction of an asset that necessarily takes long time to put in ready to use or available for sale state are capitalized as part of the cost of the respective asset until that asset condition is ready for its intended use. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs arising from such borrowing.

4.10 Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

4.11 Leases

At inception of a contract, the Group assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group assess the lease term for the non-cancellable period as stipulated in lease contract or the remaining period of active leases at the date of initial application together with any period covered by an option to extend the lease if it is reasonably certain to be exercised or any periods covered by an option to terminate the lease if it is reasonably certain not to be exercised by considering the effect of changes in technology and/or the other circumstance relating to the extension of the lease term.

Right-of-use assets-as a lessee

Right-of-use assets are recognized at the commencement date of the lease. Right-of-use assets are stated at cost, less any accumulated depreciation and impairment losses (if any), and adjusted for any remeasurement of lease liabilities (if any). The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

The cost of right-of-use assets also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are calculated by reference to their costs on a straight-line basis over the shorter of the lease term and the estimated useful lives for each of right-of-use assets.

Lease liabilities

At the commencement date of the lease, lease liabilities are stated at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable (if any) and amount expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

In calculating the present value of lease payments, the Group use its incremental borrowing rate, which is determined by referring to the government bond yield adjusted with risk premium depending on the lease term, at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of the interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group apply the short-term lease recognition exemption to its short-term leases (those leases that have a lease term of 12 months or less from the commencement date and not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term and leases of low-value assets are recognized as expense in profit and loss on a straight-line basis over the lease term.

4.12 Foreign currencies

Transactions in foreign currencies are translated into Baht at the rates ruling on the transaction dates. Monetary assets and liabilities denominated in foreign currency outstanding at the statement of financial position date are translated into Baht at the rates ruling on the statement of financial date.

Exchange gains and losses are included in determining earnings.

4.13 Impairment of assets

As at the statement of financial position date, the Group assesses whether there is an indication of asset impairment. If any such indication exists, the Group will make an estimate of the asset's recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in the statement of comprehensive income. In addition, impairment loss is reversed if there is a subsequent increase in the recoverable amount. The reversal shall not exceed the carrying value that would have been determined net of accumulated depreciation or amortization. The recoverable amount of the asset is the asset's value in use or fair value less costs to sell. In determining fair value costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company could obtain from the disposal of the asset in an arm's length transactions between knowledgeable, willing parties, after deducting the costs of disposal.

4.14 Employee benefits

Short-term employment benefits

The Group recognizes salary, wage, bonus and contributions to social security fund and provident fund as expenses when incurred.

Post-employment benefits (Defined contribution plans)

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group's contributions are recognized as expenses when incurred.

Post-employment benefits (Defined benefit plans)

The Group has obligations in respect of the severance payments that it must pay to the employees upon retirement under the labor law and other employee benefit plans. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is calculated based on the actuarial principles by a qualified independent actuary using the projected unit credit method. Such estimates are made based on various assumptions, including discount rate, future salary increase rate, staff turnover rate and mortality rate.

Actuarial gains and losses for post-employment benefits of the employees are recognized immediately in other comprehensive income.

4.15 Finance costs

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and contingent consideration, losses on disposal of available-for-sale financial assets that are recognized in profit or loss.

Cost of borrowing that does not relate to the acquisition, construction or asset production that falls into the condition is recognized in the profit or loss using the effective rate

4.16 Income tax expense

Income tax

Income tax comprises current income tax and deferred tax.

Current tax

The Group records income tax expense, if any, based on the amount currently payable under the Revenue Code at the income tax rates 20% of net profit before income tax, after adding back certain expenses which are non-deductible for income tax computation purposes, and less certain transactions which are exemption or allowable from income tax.

Some subsidiary records income tax expense, if any, based on the amount currently payable under the Revenue Code. Income tax is calculated at the tax rates from net profit before income tax, after adding back certain expenses which are non-deductible for income tax computation purposes, and less certain transactions which are exemption or allowable from income tax. Income tax is calculated at the rates as follows.

	<u>Tax rate</u>
<u>Net profit before income tax</u>	
Less than 300,000 Baht	exempted
300,000 - 3,000,000 Baht	15%
More than 3,000,000 Baht	20%

Deferred tax

Deferred tax assets and liabilities are provided on the temporary differences between the carrying amount and the tax bases of assets and liabilities at the end of the reporting period. Changes in deferred tax assets and liabilities are recognized as deferred tax income or deferred tax expense which are recognized in the profit or loss except to the extent that it relates to items recognized directly in shareholders' equity or in other comprehensive income.

The deductible temporary differences are recognized as deferred tax assets when it is probable that the Company will have future taxable profit to be available against which the deferred tax assets can be utilized. The taxable temporary differences on all taxable items are recognized as deferred tax liabilities.

Deferred tax assets and liabilities are measured at the tax rates that the Group expect to apply to the period when the deferred tax assets are realized or the deferred tax liabilities are settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

At the end of each reporting period, the carrying amount of deferred tax assets are reviewed and reduced the value when it is probable that the Company will have no longer the future taxable profit that is sufficient to be available against which all or some parts of deferred tax assets are utilized.

Deferred tax assets and deferred tax liabilities are offset when there is the legal right to settle on a net basis and they relate to income taxes levied by the same tax authority on the same taxable entity.

4.17 Provision

A liability provision is recognized when there is a present obligation which arises as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.18 Earnings per share

Basic earnings per share is calculated by dividing profit for the year by the weighted average number of ordinary shares which are issued during the year and held by outside party.

Diluted earnings per share is computed by dividing profit for the year by the aggregate amount of weighted average number of ordinary shares which are issued during the year and the weighted average number of ordinary shares which the Company may have to issue for conversion of warrants to ordinary shares.

4.19 Critical accounting estimates, assumption and judgments

Construction revenues

The stage of completion of any construction contract is assessed by management by taking into consideration all information available at the reporting date. In this process, management carries out significant judgement about milestone, actual work performed and the estimated costs to complete the work. Significant assumptions are required to estimate the total contract costs and the recoverable variation works that will affect the stage of completion. Actual outcome, in terms of actual costs or revenues, may be higher or lower than estimates at the reporting date, which would affect the revenues and profit to be recognized in future years will be accounted for as an adjustment to the amounts recorded to date.

Allowance for project losses

The Company reviews its construction work in progress to determine whether there is any indication of foreseeable losses. Identified possible losses are recognized immediately in the statement of comprehensive income when it is probable that total contract costs will exceed total contract revenues as determined by the management.

Allowance for decline value, slow-moving and defective inventories

The Group estimates allowances for decline value, slow-moving and defective inventories to reflect impairment of inventories. The allowances are based on the consideration of inventory turnovers and deterioration of each category.

Allowance for expected credit losses of account receivables

In determining an allowance for expected credit losses of account receivables, the management needs to make judgement in selecting a method and make assumption as disclosed in Note 4.2 to the financial statement.

Impairment of investments

The Group treats investments as impaired when there has been a significant or prolonged decline in their fair value. The determination of what is “significant” or “prolonged” requires management judgment.

Plant equipment and computer software

Management regularly determines the estimated useful lives and residual values of plant equipment and computer software and will revise the depreciation and amortization charge where useful lives and residual values previously estimated have changed or subject to be written down or if asset is no longer in used.

Impairment of non Financial Assets

The Group treat asset as impaired when there has been a significant or prolonged decline in the fair value below its cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires management judgment.

Post-employment benefits under defined benefit plans

The obligation under defined benefit plan is determined based on actuarial valuation. Inherent within this calculation is assumption as to discount rate, future salary adjustment, mortality rate and other demographic factor. In determining the appropriate discount rate, management selects an interest rate that reflects the current economic situation. The mortality rate is based on publicly available mortality table for the country. Actual post-retirement cost may ultimately differ from this estimate.

Deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Group future taxable income against which the deductible temporary differences can be utilized. In addition, management judgment is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

Determining the lease term of contracts with renewal and termination options

The Group determine the lease term as the non-cancellable term of the lease, together with any period covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The management is required to use judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease, considering all relevant factors that create an economic incentive to exercise either the renewal or termination. After the commencement date, the Group reassess the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

Estimating the incremental borrowing rate

The Company and its subsidiaries cannot readily determine the interest rate implicit of the lease. Therefore, the incremental borrowing rate of the Company and its subsidiaries are used to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Company and its subsidiaries would have to pay for necessary borrowing to acquire the assets, or assets with close value to right-of-use assets in similar economic environment, borrowing period and borrowing security.

5. RELATED PARTY TRANSACTIONS

During the period, the Company had significant business transactions with its subsidiaries (which have already been eliminated in the preparation of consolidated financial statements) and related companies (related by ways of common shareholders and/or common directors). These transactions follow the trade terms and rules agreed between the Company and those companies in the normal course of business.

Detail of relation between the Company and its related parties and companies are summarized as follows :

Name	Country of incorporation	Type of Business	Relationship
Sri Chareon International Co., Ltd.	Thailand	Distribution of office furniture, office furniture and industrial parts	Subsidiary company
Siam Steel OC Co., Ltd.	Thailand	Distribution of equipment, office furniture and industrial parts	Subsidiary company
Siam International Energy Co., Ltd.	Thailand	Investment in alternative energy	Subsidiary company
Siam Okamura Steel Co., Ltd.	Thailand	Manufacturing of steel office furniture	Subsidiary company
Bangphra Green Energy Co., Ltd.	Thailand	Manufacturing and distribution of solar equipment and investment in solar energy plant project	Indirect subsidiary company
Siam International Biomass Co., Ltd.	Thailand	Manufacturing and distribution of fuel stick from waste biomass and other for use as fuel	Indirect subsidiary company
Siam Biomass Product Co., Ltd.	Thailand	Purchase, manufacturing and distribution of fuel stick from waste biomass and other fuel for use as fuel	Indirect subsidiary company
Siam Forest Management Co., Ltd.	Thailand	Manufacturing and distribution of fuel stick from waste biomass and other for use as fuel	Indirect subsidiary company
Siam Biomass Manufacturing Co., Ltd.	Thailand	Manufacturing and distribution of renewable energy	Indirect subsidiary company
Siam Steel Service Center Plc.	Thailand	Manufacturing and distribution of primary steel parts for various industries	Associated company
Siam Okamura International Co., Ltd.	Thailand	Distribution of office furniture and furniture used for public	Associated company
Unity Service Co., Ltd.	Thailand	Providing of utilities and nursing facilities	Co-director
Formica (Thailand) Ltd.	Thailand	Manufacturing and distribution of plastic laminate products	Co-director
Panasonic SPT (Thailand) Co., Ltd.	Thailand	Manufacturing and distribution of electrical appliance and supplies for construction such as electric wire, pipe and downstream equipment	Co-director
Siam Chitose Co., Ltd.	Thailand	Manufacturing and distribution of furniture and furniture parts.	Co-director
Lucky-Kingdom Center (Nakornratchasima) Co., Ltd.	Thailand	Distribution of office furniture	Co-director
Lucky-Kingdom Center (Chiangmai) Co., Ltd.	Thailand	Distribution of office furniture	Co-director
Union Autoparts Manufacturing Co., Ltd.	Thailand	Manufacturing and distribution of motorcycles and motorcycle parts.	Co-director
Hirokoh (Thailand) Co., Ltd.	Thailand	Distribution and rental of movable instant office, movable instant restroom	Co-shareholder

As at December 31, 2022 and 2021 the account balances with related companies are as follows :

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Trade accounts receivable from sales and services				
Subsidiary companies	-	-	2,560	2,221
Associated companies	14,243	23,865	182	2,882
Related companies	1,590	1,426	1,590	1,426
Total trade accounts receivable from sales and services - related companies	<u>15,833</u>	<u>25,291</u>	<u>4,332</u>	<u>6,529</u>
Other current receivables				
Subsidiary companies	-	-	254,947	225,856
Associated companies	760	1,114	760	1,114
Related companies	1,240	240	1,240	240
Total other current receivables - related companies	2,000	1,354	256,947	227,210
<u>Less</u> Allowance for expected credit losses	-	-	(2,815)	(2,369)
Net	<u>2,000</u>	<u>1,354</u>	<u>254,132</u>	<u>224,841</u>

There is no interest charge for the above other current receivables

As at December 31, 2022 the indirect subsidiary companies has mortgaged land and buildings that exists at present and that will be made in the future to be used as collateral for liabilities outstanding with the company.

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Short-term loans				
Subsidiary companies	-	-	58,000	58,000
<u>Less</u> Allowance for expected credit losses	-	-	(332)	(309)
Net	<u>-</u>	<u>-</u>	<u>57,668</u>	<u>57,691</u>

Movements in short-term loans to subsidiary companies for the years ended December 31, 2022 and 2021 are as follows :

	In Thousand Baht			
	Separate financial statements			
	As at December 31, 2021	Increase	Decrease	As at December 31, 2022
Siam International Energy Co., Ltd.	58,000	-	-	58,000
Total short-term loans	58,000	-	-	58,000

	In Thousand Baht			
	Separate financial statements			
	As at December 31, 2020	Increase	Decrease	As at December 31, 2021
Siam International Energy Co., Ltd.	100,000	-	(42,000)	58,000
Total short-term loans	100,000	-	(42,000)	58,000

Short-term loans from related companies as at December 31, 2022 and 2021 the subsidiary company have issued promissory note to the Company of Baht 58.00 million. The repayment period in June 30, 2023 and in June 30, 2022 respectively. The interest rate is 4.75 per annum.

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Short term loans - related companies	51,050	51,050	-	-

Movements in short-term loans of the indirect subsidiary companies for the years ended December 31, 2022 and 2021 are as follows :

	In Thousand Baht			
	Consolidated financial statements			
	As at December 31, 2021	Increase	Decrease	As at December 31, 2022
Short term loans - related companies	51,050	53,050	(2,750)	101,350

	In Thousand Baht			
	Consolidated financial statements			
	As at December 31, 2020	Increase	Decrease	As at December 31, 2021
Short term loans - related companies	64,550	14,800	(28,300)	51,050

As at December 31, 2022 and 2021, the indirect subsidiary had short-term loan from the related company in the amount of Baht 101.35 million and Baht 51.05 million, respectively. The repayment period is during January 20, 2023 - December 23, 2023 and January 20, 2022 - December 23, 2022, respectively. The interest rate is 1.00 - 1.475% per annum.

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Trade and other current payables				
- related companies				
Accounts payables				
Subsidiary companies	-	-	2,696	3,888
Associated companies	10,934	11,848	10,934	11,848
Related companies	4,871	1,299	2,016	861
Total account payable - related companies	15,805	13,147	15,646	16,597
Advances from				
Related companies	3,688	3,390	731	1,150
Total advances - related companies	3,688	3,390	731	1,150
Advances and deposits from customers				
Subsidiary companies	-	-	85	85
Associated companies	328	328	-	-
Related companies	4,245	4,046	4,245	4,046
Total advances and deposits from customers - related companies	4,573	4,374	4,330	4,131
Total trade and other current payables - related companies	24,066	20,911	20,707	21,878
Lease liabilities				
Related companies	1,193	3,474	1,193	3,474
Key management personnel compensation				
Accrued bonus	139	-	139	-
Post - employment benefits	16,432	17,183	15,616	16,351
Total key management personnel compensation	16,571	17,183	15,755	16,351

The significant transactions with related companies for the year ended December 31, 2022 and 2021 have pricing policy as follows :

	<u>The Policy of Pricing</u>
Sales and services	Cost plus margin or agreed price
Revenues from sales of raw materials, factory supplies and others	Cost plus margin
Rental revenue	Agreed price
Interest income	Agreed rate
Dividend income	As announced
Purchases of finished goods	Agreed price
Purchases of raw materials	Cost plus margin or agreed price
Purchases of assets	Agreed price
Administrative and other expenses	Cost plus margin or agreed price
Financial cost	Agreed rate

	<u>In Thousand Baht</u>			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Sales and services income				
Subsidiary companies	-	-	21,100	8,335
Associated companies	179,930	156,738	10,587	4,301
Related companies	1,861	1,783	1,861	1,783
	<u>181,791</u>	<u>158,521</u>	<u>33,548</u>	<u>14,419</u>
Revenues from sales of raw materials, factory supplies and others				
Subsidiary companies	-	-	347	1,667
Associated companies	5,709	4,886	5,391	4,674
Related companies	9,781	9,831	9,781	8,996
	<u>15,490</u>	<u>14,717</u>	<u>15,519</u>	<u>15,337</u>
Rental revenue				
Subsidiary companies	-	-	25,581	10,383
Associated companies	2,508	2,780	540	1,468
Related companies	16,317	16,185	16,317	16,185
	<u>18,825</u>	<u>18,965</u>	<u>42,438</u>	<u>28,036</u>
Interest income				
Subsidiary companies	-	-	2,755	2,130
	<u>-</u>	<u>-</u>	<u>2,755</u>	<u>2,130</u>

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Dividend income				
Subsidiary companies	-	-	4,897	4,728
Associated companies	-	-	40,192	20,743
Related companies	21,290	18,333	21,290	18,333
	<u>21,290</u>	<u>18,333</u>	<u>66,379</u>	<u>43,804</u>
Purchases of finished goods				
Subsidiary companies	-	-	11,983	16,640
Associated companies	37	9	37	9
Related companies	542	357	542	357
	<u>579</u>	<u>366</u>	<u>12,562</u>	<u>17,006</u>
Purchases of raw materials				
Subsidiary companies	-	-	504	264
Associated companies	32,327	33,466	32,318	33,382
Related companies	5,031	4,965	2,530	1,962
	<u>37,358</u>	<u>38,431</u>	<u>35,352</u>	<u>35,608</u>
Purchases of assets				
Associated companies	350	476	350	476
	<u>350</u>	<u>476</u>	<u>350</u>	<u>476</u>
Administrative and other expenses				
Subsidiary companies	-	-	-	19
Associated companies	71	25	-	2
Related companies	15,569	7,681	8,097	7,616
	<u>15,640</u>	<u>7,706</u>	<u>8,097</u>	<u>7,637</u>
Rental expenses				
Related companies	2,428	2,428	2,428	2,428
	<u>2,428</u>	<u>2,428</u>	<u>2,428</u>	<u>2,428</u>
Finance costs				
Related companies	777	279	-	279
	<u>777</u>	<u>279</u>	<u>-</u>	<u>279</u>

Management benefit expenses

Management benefit expenses represent the benefits paid to the Group's management such as salaries and related benefit including the benefit paid by other means. The Group's management is the persons who are defined under the Securities and Exchange Act.

Management benefit expenses for the year ended December 31, 2022 and 2021, are as follows :

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Management				
Management benefit expenses				
Short-term employee benefits	25,797	22,468	24,348	20,912
Post-employment benefits	377	773	294	676
Total	26,174	23,241	24,642	21,588

6. CASH AND CASH EQUIVALENTS

	In Thousand Baht			
	Consolidated Financial Statement		Separate Financial Statement	
	2022	2021	2022	2021
Cash	270	295	180	205
Deposits with financial institutions				
- Current accounts	-	204	-	171
- Savings accounts	274,573	244,024	165,414	160,108
- Fixed accounts	5,070	5,064	-	-
Total	279,913	249,587	165,594	160,484

Savings deposits with banks bear interest at the floating rates determined by banks.

7. TRADE ACCOUNTS RECEIVABLE FROM SALES AND SERVICES/CURRENT CONTRACT ASSETS

7.1 As at December 31, 2022 and 2021, the aged analysis of trade accounts receivable are as follows :

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<u>Trade accounts receivable - general companies</u>				
Current	152,974	160,841	136,296	116,064
Overdue :				
Less than 3 months	17,611	12,631	12,261	7,461
3 months - 6 months	1,775	1,742	391	26
6 months - 12 months	-	7,157	-	4
Over 12 months	5,388	3,412	2,601	2,599
Total	177,748	185,783	151,549	126,154
<u>Less</u> Allowance for expected credit losses	(5,144)	(3,683)	(2,952)	(2,806)
Net	172,604	182,100	148,597	123,348
Accrued income	18,722	9,142	18,722	9,142
Total	191,326	191,242	167,319	132,490
<u>Trade accounts receivable - related companies</u>				
Current	15,789	25,096	3,383	5,400
Overdue :				
Less than 3 months	44	195	44	215
Total	15,833	25,291	3,427	5,615
Accrued income	-	-	905	914
Total	15,833	25,291	4,332	6,529
<u>Trade accounts receivable from construction work</u>				
<u>Trade accounts receivable - general companies</u>				
Current	-	2,603	-	2,603
Total	-	2,603	-	2,603

During the year, the Group had the movements in allowance for expected credit losses are as follows :

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2022	2021	2022	2021
Beginning as at January 1,	3,683	3,535	2,806	2,658
<u>Add</u> Additional allowances	1,461	148	146	148
<u>Less</u> Decrease	-	-	-	-
Ending as at December 31,	5,144	3,683	2,952	2,806

7.2 Mostly unbilled contract revenue will be billed to customers within three months, unless otherwise agreed in customer contracts.

8. INVENTORIES

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Finished goods	146,286	151,709	47,668	61,358
Work in process	47,220	82,194	29,176	32,139
Raw materials and supplies	142,012	142,719	54,291	92,365
Total	335,518	376,622	131,135	185,862
<u>Less</u> Allowance for decline in value, slow-moving and defective inventories	(25,571)	(26,677)	(22,439)	(21,135)
Net	309,947	349,945	108,696	164,727

Movement in allowance for decline in value, slow-moving and defective inventories for the year end December 31, 2022 and 2021 are as follows :

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2022	2021	2022	2021
Beginning as at January 1,	26,677	22,733	21,135	19,944
<u>Add</u> Additional allowances	2,776	3,944	1,304	1,191
<u>Less</u> Decrease	(3,882)	-	-	-
Ending as at December 31,	25,571	26,677	22,439	21,135

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2022	2021	2022	2021
Cost of inventory recorded as expense in cost of sales				
- Cost	1,590,826	1,402,146	644,319	585,544
- Additional allowances	2,776	3,944	1,304	1,191
- Reversing of allowances	(3,882)	-	-	-
Total	1,589,720	1,406,090	645,623	586,735

9. OTHER CURRENT ASSETS

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2022	2021	2022	2021
Prepaid expenses	1,549	10,043	1,461	9,225
Prepaid insurance	522	845	522	845
Undue input VAT	2,017	1,529	1,127	643
Refundable value added tax	13,972	11,568	-	-
Advance payment	16,742	12,627	15,243	12,334
Others	18,718	10,700	1,863	923
Total	53,520	47,312	20,216	23,970
<u>Less</u> Allowance for expected credit losses				
of advance payment	(12,304)	(12,304)	(12,223)	(12,223)
Net	41,216	35,008	7,993	11,747

10. RESTRICTED DEPOSITS WITH BANK

As at December 31, 2022 and 2021, the Company has fixed deposits totaling Baht 5.42 million, which are restricted for usage as they have been placed as collaterals, insurance of guarantee letter and credit card limit.

As at December 31, 2022 and 2021, the subsidiaries company have fixed deposits and bond in totaling Baht 0.69 million and Baht 0.22 million, respectively, which are restricted for usage as they have been placed as collaterals for bank guarantees in respect of certain agreements required in the normal course of business of the subsidiaries company.

11. OTHER NON-CURRENT FINANCIAL ASSETS

As at December 31, 2022 and 2021, details of other non-current financial assets are as follows :

	In Thousand Baht									
	Consolidated / Separate financial statements									
	Paid-up share capital		Percentage of shareholding (%)		Cost method		Fair Value method		Dividend income	
2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	
Type of business										
Financial assets at fair value through other comprehensive income										
Formica (Thailand) Co., Ltd.	199,150	199,150	5	5	38,052	38,052	61,817	44,492	16,529	15,832
Panasonic SPT (Thailand) Co., Ltd.	170,000	170,000	5	5	11,660	11,660	45,759	40,038	4,761	2,501
Total other non-current financial assets					49,712	49,712	107,576	84,530	21,290	18,333

12. INVESTMENTS IN SUBSIDIARY COMPANIES AND ASSOCIATED COMPANIES

12.1 As at December 31, 2022 and 2021, the balances of investments in subsidiaries, associated companies and related companies are as follows :

		In Thousand Baht							
		Consolidated financial statements							
Type of business	Paid-up share capital	Percentage of shareholding (%)		Cost method		Equity method		Dividend income	
		2022	2021	2022	2021	2022	2021	2022	2021
Investments									
Associated companies - equity method									
Siam Steel Service Center Public Co., Ltd.	639,998	24.51	24.51	153,748	153,748	751,150	733,653	36,076	16,627
Steel cutting services and manufacturing of element steel parts									
Siam Okamura International Co., Ltd.	20,000	49	49	9,799	9,799	147,183	139,341	4,116	4,116
Distribution of office furniture and furniture used for public									
				<u>163,547</u>	<u>163,547</u>	<u>898,333</u>	<u>872,994</u>	<u>40,192</u>	<u>20,743</u>
Indirect associated company - equity method									
Lucky-Kingdom Center Co., Ltd.	-	-	40	-	4,800	-	4,992	-	-
Investment in shares									
Total investments in associated companies - equity method								<u>898,333</u>	<u>877,986</u>
								<u>40,192</u>	<u>20,743</u>

Associated companies

The following table summarizes the financial information of the significant associated companies as included in their own financial statements. The table also reconciles the summarized financial information to the carrying amount of the Company's interest in these associates.

	In Thousand Baht			
	Siam Okamura		Siam Steel Service Center	
	International Co., Ltd.		Public Company Limited	
	2022	2021	2022	2021
Revenue	586,999	455,257	5,530,470	4,688,346
Profit (loss) for the year	25,242	1,212	216,994	234,581
Other comprehensive income (loss)	(833)	-	134	2,749
Total comprehensive income (loss)	24,409	1,212	217,128	237,330
Attributable to profit (loss) for the year				
Attributable to non - controlling interest	12,873	618	163,809	177,085
Attributable to investee's shareholders	12,369	594	53,185	57,496
Attributable to comprehensive for the year				
Attributable to non - controlling interest	(425)	618	101	2,075
Attributable to investee's shareholders	(408)	594	33	674
Current assets	357,455	340,202	3,278,204	3,098,510
Non-current assets	29,048	36,417	1,111,239	1,138,160
Current liabilities	(60,677)	(66,681)	(1,205,285)	(1,123,646)
Non-current liabilities	(8,034)	(8,155)	(100,601)	(99,396)
Net assets	317,792	301,783	3,083,557	3,013,628
Attributable to non - controlling interest	162,074	153,909	2,327,777	2,274,988
Attributable to investee's shareholders	155,718	147,874	755,780	738,640

- 12.2 As at December 31, 2022 and 2021, the fair value of the investment in Siam Steel Service Center Public Company Limited, which is listed on the Stock Exchange of Thailand, amounted to Baht 479.98 million (closing price Baht 3.06 per share, 156,856,000 common shares) and Baht 448.61 million (closing price Baht 2.86 per share, 156,856,000 common shares), respectively. For other investments in associates are not publicly listed on the Stock Exchange of Thailand and consequently do not have published price.

12.3 Movements in investments in associated companies for the years ended 31 December 2022 and 2021 are as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2022	2021	2022	2021
Book value - beginning as at January 1,	877,986	814,380	163,547	137,227
<u>Add</u> : Purchase of investments in associated	-	26,320	-	26,320
<u>Less</u> : Sale of investment in indirect associated	(4,995)	-	-	-
<u>Add</u> : Share of profit from investment - equity methods	65,534	58,029	-	-
<u>Less</u> : Dividend income	(40,192)	(20,743)	-	-
Book value - net as at December 31,	<u>898,333</u>	<u>877,986</u>	<u>163,547</u>	<u>163,547</u>

13. NON - CONTROLLING INTERESTS

The following table summarizes the information relating to each of the Group's subsidiary companies that has a material non-controlling interest, before any intra-group eliminations for the years ended December 31, 2022 are as follows:

	In Thousand Baht		
	Consolidated Financial Statements		
	Siam Okamura Steel Co., Ltd.	Siam Steel OC Co., Ltd.	Siam Forest Management Co., Ltd.
Non-controlling interest percentage	49%	49%	40%
Current assets	286,098	26,008	505
Non-current assets	340,247	486	-
Current liabilities	(168,302)	(13,030)	(15,258)
Non-current liabilities	(22,352)	(884)	-
Net assets	<u>435,691</u>	<u>12,580</u>	<u>(14,753)</u>
Book value of non - controlling interest	<u>213,489</u>	<u>6,164</u>	<u>(5,901)</u>
Revenue	978,788	18,958	743
Profit (loss) for the year	8,793	(8,738)	(1,456)
Comprehensive income (expense) for the year	-	-	-
Profit (loss) allocated to non-controlling interest	4,309	(4,282)	(582)
Comprehensive income (loss) allocated to non-controlling interest	-	-	-
Cash flows provided from (used in) operating activities	54,923	375	212
Cash flows provided from (used in) investing activities	(7,809)	-	-
Cash flows provided from (used in) financing activities	(20,878)	(941)	-
Unrealized gain (loss) on exchange rate of cash at banks	(36)	-	-
Net increase (decrease) in cash and cash equivalents	<u>26,200</u>	<u>(566)</u>	<u>212</u>

14. PROPERTY, PLANT AND EQUIPMENT

	In Thousand Baht							
	Consolidated Financial Statements							
	Land	Buildings and improvements	Machinery and equipment	Furniture, fixtures and office equipment	Transportation equipment	Intangibles Assets	Machinery and building under installation	Total
At Cost								
January 1, 2021	536,296	1,303,308	1,459,829	235,507	30,963	17,664	240,037	3,823,604
Increase	-	139	8,417	3,614	324	45	51,312	63,851
Disposal	-	-	(19,724)	(3,436)	(1,143)	-	-	(24,303)
Transfer in (out)	-	23,639	36,393	1,514	-	-	(67,439)	(5,893)
December 31, 2021	536,296	1,327,086	1,484,915	237,199	30,144	17,709	223,910	3,857,259
Increase	-	1,503	6,274	3,828	-	41	14,089	25,735
Disposal	-	-	(114,355)	(7,272)	-	-	-	(121,627)
Transfer in (out)	-	77,745	69,091	-	-	-	(158,787)	(11,951)
December 31, 2022	536,296	1,406,334	1,445,925	233,755	30,144	17,750	79,212	3,749,416
Accumulated depreciation								
January 1, 2021	-	792,602	1,220,389	220,061	23,402	14,401	-	2,270,855
Increase	-	28,865	51,664	7,311	2,766	857	-	91,463
Disposal	-	-	(18,587)	(3,436)	(1,093)	-	-	(23,116)
Transfer in (out)	-	-	(410)	-	-	-	-	(410)
December 31, 2021	-	821,467	1,253,056	223,936	25,075	15,258	-	2,338,792
Increase	-	36,380	51,612	5,913	2,775	593	-	97,273
Disposal	-	-	(114,346)	(7,272)	-	-	-	(121,618)
Transfer in (out)	-	-	-	-	-	-	-	-
December 31, 2022	-	857,847	1,190,322	222,577	27,850	15,851	-	2,314,447

		In Thousand Baht						
		Consolidated Financial Statements						
	Land	Buildings and improvements	Machinery and equipment	Furniture, fixtures and office equipment	Transportation equipment	Intangibles Assets	Machinery and building under installation	Total
Allowance for impairments								
January 1, 2021	6,517	-	-	-	-	-	-	6,517
Increase	-	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-	-
December 31, 2021	6,517	-	-	-	-	-	-	6,517
Increase	-	-	22,685	-	-	-	-	22,685
Disposal	-	-	-	-	-	-	-	-
December 31, 2022	6,517	-	22,685	-	-	-	-	29,202
Net book value								
December 31, 2021	529,779	505,619	231,859	13,263	5,069	2,451	223,910	1,511,950
December 31, 2022	529,779	548,487	232,918	11,178	2,294	1,899	79,212	1,405,767

As at December 31, 2022, the indirect subsidiary has mortgaged land and buildings that exists at present and that will be made in the future to be used as collateral for liabilities outstanding write the company.

In Thousand Baht							
Separate Financial Statements							
	Land	Buildings and improvements	Machinery and equipment	Furniture, fixtures and office equipment	Transportation equipment	Machinery and building under installation	Total
At Cost							
January 1, 2021	282,658	1,035,219	614,858	178,912	23,358	240,464	2,375,469
Increase	-	-	392	2,932	-	50,082	53,406
Disposal	-	-	(1,380)	(650)	(63)	-	(2,093)
Transfer in (out)	-	23,639	35,871	1,514	-	(66,917)	(5,893)
December 31, 2021	282,658	1,058,858	649,741	182,708	23,295	223,629	2,420,889
Increase	-	1,123	-	1,393	-	11,795	14,311
Disposal	-	-	(98,081)	(495)	-	-	(98,576)
Transfer in (out)	-	77,037	69,091	-	-	(158,079)	(11,951)
December 31, 2022	282,658	1,137,018	620,751	183,606	23,295	77,345	2,324,673
Accumulated depreciation							
January 1, 2021	-	662,125	584,372	174,451	17,055	-	1,438,003
Increase	-	22,698	13,694	2,503	2,205	-	41,100
Disposal	-	-	(1,380)	(650)	(63)	-	(2,093)
Transfer in (out)	-	-	(410)	-	-	-	(410)
December 31, 2021	-	684,823	596,276	176,304	19,197	-	1,476,600
Increase	-	26,920	19,173	2,057	2,205	-	50,355
Disposal	-	-	(98,071)	(495)	-	-	(98,566)
Transfer in (out)	-	-	-	-	-	-	-
December 31, 2022	-	711,743	517,378	177,866	21,402	-	1,428,389

In Thousand Baht		Separate Financial Statements						
	Land	Buildings and improvements	Machinery and equipment	Furniture, fixtures and office equipment	Transportation equipment	Machinery and building under installation	Total	
Allowance for impairments								
January 1, 2021	6,517	-	-	-	-	-	6,517	
Increase	-	-	-	-	-	-	-	
Disposal	-	-	-	-	-	-	-	
December 31, 2021	6,517	-	-	-	-	-	6,517	
Increase	-	-	-	-	-	-	-	
Disposal	-	-	-	-	-	-	-	
December 31, 2022	6,517	-	-	-	-	-	6,517	
Net book value								
December 31, 2021	276,141	374,035	53,465	6,404	4,098	223,629	937,772	
December 31, 2022	276,141	425,275	103,373	5,740	1,893	77,345	889,767	
Depreciation for the year 2021								
Cost of goods sold							14,365	
Selling and administrative expenses							26,735	
Total							41,100	
Depreciation for the year 2022								
Cost of goods sold							13,113	
Selling and administrative expenses							37,242	
Total							50,355	

As at December 31, 2022 and 2021, the gross carrying amount of fully depreciated building and equipment which are still in use amounted to Baht 2,010.05 million and Baht 2,149.52 million, respectively, for the consolidated financial statements, and amounted to Baht 1,321.95 million and Baht 1,414.51 million, respectively for the separate financial statements.

15. RIGHT-OF-USE ASSETS

Movements of the right-of-use assets account during the year ended December 31, 2022 and 2021 are summarized below.

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
As at January 1,	25,950	27,192	9,002	12,151
Increase during the year	8,571	9,731	5,430	3,153
Depreciation for the year	(8,386)	(8,364)	(3,820)	(3,770)
Decrease from rental reduction	(1,965)	(2,609)	(782)	(2,532)
Net book value as at December 31,	<u>24,170</u>	<u>25,950</u>	<u>9,830</u>	<u>9,002</u>

16. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

16.1 Deferred tax assets and deferred tax liabilities are as follows :

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Deferred tax assets	22,748	23,069	18,566	18,594
Deferred tax liabilities	(66,457)	(55,944)	(28,330)	(17,715)
	<u>(43,709)</u>	<u>(32,875)</u>	<u>(9,764)</u>	<u>879</u>

16.2 Changes in deferred tax assets and deferred tax liabilities for the year ended December 31, 2022 and 2021, are summarized as follows :

	In Thousand Baht			Balance as at December 31, 2022
	Consolidated Financial Statements			
	Balance as at December 31, 2021	Recognized as income (expense) Profit/ (Loss)	Other comprehensive income	
Deferred tax assets				
Allowance for expected credit losses	2,960	29	-	2,989
Allowance for decline value in inventories	5,334	(272)	-	5,062
Provisions for employee benefit	13,570	484	(580)	13,474
Consignment	1,205	18	-	1,223
Total	23,069	259	(580)	22,748
Deferred tax liabilities				
The difference of depreciation of fixed assets between accounting base and tax base	17,715	958	-	16,757
Fair value of other long-term investment	-	-	(11,573)	11,573
Property, plant and equipment	37,872	512	-	37,360
Lease liabilities	357	(410)	-	767
Total	55,944	1,060	(11,573)	66,457
	(32,875)	1,319	(12,153)	(43,709)

	In Thousand Baht			Balance as at December 31, 2021
	Consolidated Financial Statements			
	Balance as at December 31, 2020	Recognized as income (expense) Profit/ (Loss)	Other comprehensive income	
Deferred tax assets				
Allowance for expected credit losses	2,960	-	-	2,960
Allowance for decline value in inventories	4,546	788	-	5,334
Provisions for employee benefit	13,490	506	(426)	13,570
Consignment	964	241	-	1,205
Total	21,960	1,535	(426)	23,069
Deferred tax liabilities				
The difference of depreciation of fixed assets between accounting base and tax base	18,785	1,070	-	17,715
Property, plant and equipment	38,384	512	-	37,872
Lease liabilities	412	55	-	357
Total	57,581	1,637	-	55,944
	(35,621)	3,172	(426)	(32,875)

	In Thousand Baht			Balance as at December 31, 2022
	Balance as at December 31, 2021	Separate Financial Statements		
		Recognized as income (expense) Profit/ (Loss)	Other comprehensive income	
Deferred tax assets:				
Allowance for expected credit losses	2,959	29	-	2,988
Allowance for decline value in inventories	4,227	261	-	4,488
Reserve for employee benefits obligation	10,070	265	(580)	9,755
Consignment	1,205	18	-	1,223
Lease liabilities	133	(21)	-	112
Total	18,594	552	(580)	18,566
Deferred income tax liabilities				
The difference of depreciation of fixed assets between accounting base and tax base	17,715	958	-	16,757
Fair value of other long-term investment	-	-	(11,573)	11,573
Total	17,715	958	(11,573)	28,330
	879	1,510	(12,153)	(9,764)

	In Thousand Baht			Balance as at December 31, 2021
	Balance as at December 31, 2020	Separate Financial Statements		
		Recognized as income (expense) Profit/ (Loss)	Other comprehensive income	
Deferred tax assets:				
Allowance for expected credit losses	2,959	-	-	2,959
Allowance for decline value in inventories	3,989	238	-	4,227
Reserve for employee benefits obligation	9,799	271	-	10,070
Consignment	964	241	-	1,205
Lease liabilities	28	105	-	133
Total	17,739	855	-	18,594
Deferred income tax liabilities				
The difference of depreciation of fixed assets between accounting base and tax base	18,785	1,070	-	17,715
Total	18,785	1,070	-	17,715
	(1,046)	1,925	-	879

As at December 31, 2022 and 2021, the Group has accumulated tax losses since 2017 unused in the amount of Baht 321.35 million and amount Bath 236.44 million, respectively (Separate financial statement Bath 64.38 million and Bath 43.26 million, respectively) with the Group didn't record deferred tax asset from tax loss as it is still uncertain if the Group will have tax profit adequate for utilizing the deferred tax asset.

17. SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

This account consisted of :

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2022	2021	2022	2021
Promissory note	63,000	65,000	3,000	-
Total short-term loans from financial institutions	63,000	65,000	3,000	-

18. OTHER CURRENT LIABILITIES - GENERAL COMPANIES

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2022	2021	2022	2021
Deposit received	72,418	82,817	72,218	76,476
Accrued expenses	52,800	60,085	43,497	50,467
Others liabilities	12,688	8,520	1,569	772
Total	137,906	151,422	117,284	127,715

19. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS

As at December 31, 2022 and 2021, the Group has long-term loans from financial institutions as follows :

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Long-term loans from financial institutions beginning period	7,183	77,029	7,183	12,967
Additional long-term loan from financial institution	-	-	-	-
Repayment during the year	(5,784)	(69,846)	(5,784)	(5,784)
Net	1,399	7,183	1,399	7,183
Less Current portion	(1,399)	(5,784)	(1,399)	(5,784)
Long-term loans from financial Institutions	-	1,399	-	1,399

As at December 31, 2022, the Company had long-term loans from financial institutions amount of Baht 1.40 million with interest at a rate of 4.75% per annum and December 31, 2021 the Company had long-term loans from financial institutions amount of Baht 7.18 million with interest at a rate of 4.75% per annum.

20. LEASE LIABILITIES

The carrying amounts of lease liabilities and the movement for the year ended December 31, 2022 and 2021, are presented below.

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
As at January 1,	23,933	25,369	9,494	12,483
Addition	7,992	10,722	5,759	3,153
Accretion of interest	1,063	1,122	566	644
Payments	(11,544)	(10,564)	(4,626)	(4,152)
Decrease from rental reduction	(1,079)	(2,716)	(803)	(2,634)
As at December 31,	20,365	23,933	10,390	9,494
<u>Less Current portion</u>	<u>(8,432)</u>	<u>(9,271)</u>	<u>(3,105)</u>	<u>(3,419)</u>
Lease liabilities - net of current portion	<u>11,933</u>	<u>14,662</u>	<u>7,285</u>	<u>6,075</u>

Amounts recognized in the statement of comprehensive income for the years ended December 31, 2022 and 2021 are comprise;

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Depreciation of right-of-use assets	8,386	8,364	3,820	3,770
Interest expense	1,063	1,340	566	650
Expense relating to short-term lease				
Leases of low-value assets	825	885	825	825
	<u>10,274</u>	<u>10,589</u>	<u>5,211</u>	<u>5,245</u>

21. EMPLOYEE BENEFIT OBLIGATIONS

Employee benefit obligations for the years ended December 31, 2022 and 2021 are as follow:

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2022	2021	2022	2021
The statements of financial position				
Defined benefit obligations as at January 1,	69,025	68,457	50,347	48,994
Loss (gain) estimation over actuarial principles	(3,147)	(2,132)	(2,900)	-
Current Service costs and interest	3,520	4,210	2,112	2,749
Employee benefit obligations paid	(940)	(1,510)	(787)	(1,396)
Defined benefit obligations, as at December 31,	68,458	69,025	48,772	50,347
Reclassified to current portion	(19,972)	(16,679)	(18,580)	(16,368)
Net	48,486	52,346	30,192	33,979

The Group recognized actuarial gain or loss in the statements of other comprehensive income.

Revenues and expenses recognized in the statement of comprehensive income for the years ended December 31, 2022 and 2021 are as follows:

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2022	2021	2022	2021
The statement of comprehensive income				
Recognized in profit or loss				
Current service costs and interest				
Cost of sales	1,841	1,069	733	756
Selling expenses	468	464	468	464
Administrative expenses	829	2,173	544	1,038
Interest on obligation	382	504	367	491
Total	3,520	4,210	2,112	2,749
Recognized in other comprehensive income				
Loss (gain) estimation over actuarial principles	(3,147)	(2,132)	(2,900)	-
Total	(3,147)	(2,132)	(2,900)	-
Total	373	2,078	(788)	2,749

Gain and loss from the estimate based on actuarial principles recognized in the statement of comprehensive income for the year ended December 31, 2022 and 2021, arise from

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2022	2021	2022	2021
Improvement from experience	4,080	(1,229)	4,242	-
Population assumption	(6,200)	(460)	(6,131)	-
Financial assumption	(1,027)	(443)	(1,011)	-
Total	(3,147)	(2,132)	(2,900)	-

Significant assumptions based on actuarial techniques

Significant assumptions based on actuarial techniques as at report date are as follows;

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2022	2021	2022	2021
Discount rate : Monthly staff	0.36% - 3.46%	0.36% - 2.82%	2.12%	0.92%
Discount rate : Daily staff	2.30% - 2.32%	1.36% - 2.32%	2.30%	1.36%
Average future salary increment rate	3.66% - 5.40%	3.66% - 5.45%	4.86% - 5.23%	5.40% - 5.45%
Mortality rate	TMO 2017	TMO 2017	TMO 2017	TMO 2017
Normal retirement age	60 years	60 years	60 years	60 years

Sensitivity analysis

The results of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at December 31, 2022 and 2021 are summarized below:

	In Thousand Baht			
	2022			
	Consolidated Financial Statements		Separate Financial Statements	
	Increase	Decrease	Increase	Decrease
Discount rate (percentage of change 0.5%)	(1,951)	2,069	(1,003)	1,049
Future salary increase rate (percentage of change 0.5%)	2,043	(1,943)	1,016	(982)
Staff turnover rate (percentage of change 1.0%)	(3,219)	3,596	(1,098)	1,148

	In Thousand Baht			
	2021			
	Consolidated Financial Statements		Separate Financial Statements	
	Increase	Decrease	Increase	Decrease
Discount rate (percentage of change 0.5%)	(2,226)	2,186	(1,236)	1,303
Future salary increase rate (percentage of change 0.5%)	2,299	(2,302)	1,303	(1,378)
Staff turnover rate (percentage of change 1.0%)	(5,271)	8,952	(3,216)	6,585

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2022	2021	2022	2021
	Within one year	19,972	16,638	18,580
Between 2 - 5 years	30,170	21,152	21,852	12,742
Between 6 - 10 years	21,457	31,203	13,096	23,068
Between 11 - 15 years	16,983	18,854	7,494	9,897
More than 16 years	8,697	10,930	-	-
Total	97,279	98,777	61,022	62,075

22. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern.

According to the consolidated statements of financial position as at December 31, 2022 and 2021, the Company and its subsidiaries's debt-to-equity ratio was 0.25 : 1 and 0.24 : 1, respectively.

According to the separate statements of financial position as at December 31, 2022 and 2021, the Company's debt-to-equity ratio was 0.18 : 1 and 0.20 : 1, respectively.

23. LEGAL RESERVE

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside as statutory reserve at least 5 percent of its net income after deducting accumulated deficit brought forward, (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

Under the terms of the Civil and Commercial Code, ten subsidiaries are required to set aside as statutory reserve at least 5 percent of its net income at each dividend declaration as the statutory reserve until the statutory reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

24. PROVIDENT FUND

The Company established a provident fund under the Provident Fund Act (B.E. 2530). The fund is contributed to by the employees and the Company and is managed by Kasikorn Asset Management. The fund will be paid to the employees upon termination in accordance with the rules of the fund. The Company has contributed to provident fund for the year ended December 31, 2022 and 2021 as follow:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2022	2021	2022	2021
Provident fund	4,812	4,793	2,692	2,674

25. DIVIDEND

Details of the Company's dividends declaration and payments for the years ended December 31, 2022 and 2021 is as follows :

2022	Approved by	Qualified common share (Shares)	Dividend per share (Baht)	Dividend paid (Thousand Baht)	Paid date
Annual dividend	Annual General Meeting of the shareholders held on April 29, 2022	593,125,849	0.01	5,931	May 27, 2022
2021	Approved by	Qualified common share (Shares)	Dividend per share (Baht)	Dividend paid (Thousand Baht)	Paid date
Annual dividend	Annual General Meeting of the shareholders held on April 29, 2021	593,125,849	0.05	29,656	May 27, 2021

Details of the subsidiary's dividends declaration and payments for the years ended December 31, 2022 and 2021 are as follows :

2022	Approved by	Qualified common share (Shares)	Dividend pers hare (Baht)	Dividend paid (In Thousand Baht)			Paid date
				Portion of the Company	Portion of non- controlling interest	Total	
<u>Siam Okamura Steel Co., Ltd.</u>							
Annual dividend	Annual General Meeting of the shareholders held on March 25, 2022	880,000	10.91	4,897	4,704	9,601	April 22, 2022
Total				<u>4,897</u>	<u>4,704</u>	<u>9,601</u>	

2021	Approved by	Qualified common share (Shares)	Dividend pers hare (Baht)	Dividend paid (In Thousand Baht)			Paid date
				Portion of the Company	Portion of non- controlling interest	Total	
<u>Siam Okamura Steel Co., Ltd.</u>							
Annual dividend	Annual General Meeting of the shareholders held on March 22, 2021	880,000	8.64	3,877	3,726	7,603	April 20, 2021
<u>Siam Steel OC Co.,Ltd.</u>							
Annual dividend	Annual General Meeting of the shareholders held on March 31, 2021	200,000	8.34	851	817	1,668	June 30, 2021
Total				<u>4,728</u>	<u>4,543</u>	<u>9,271</u>	

26. OTHER INCOME

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2022	2021	2022	2021
Rental revenue	27,253	28,211	53,173	38,594
Other service income	16,626	21,354	12,483	13,603
Utilities income	1,635	1,723	1,452	1,527
Interest income	822	871	3,138	2,812
Tax compensation income	338	251	338	251
Commission income	5,035	4,395	5,035	4,395
Revenue from the sale of the scrap	8,102	9,978	-	-
Gain (loss) on foreign exchange rates	4,466	6,204	-	-
Gain from sale of assets	2,835	411	2,511	184
Total	<u>67,112</u>	<u>73,398</u>	<u>78,130</u>	<u>61,366</u>

27. EXPENSES BY NATURE

	In Thousand Baht			
	Consolidated Financial		Separate Financial	
	Statements		Statements	
	2022	2021	2022	2021
Raw materials and supplies used	746,013	616,731	366,429	271,153
Changes in inventories of finished goods and work in process	40,397	(76,212)	16,653	602
Salaries and other employee benefits	286,501	293,411	176,942	175,741
Subcontractor expenses	43,837	35,887	43,439	35,832
Allowance for expected credit losses	15,625	4,731	615	121
Depreciation and amortization	106,290	99,827	54,175	44,870
Costs of construction	99,688	78,015	99,688	78,015
Transportation fee	66,656	78,475	55,438	69,777
Rental expenses	5,233	5,460	4,094	4,571
Utilities expenses	23,122	13,258	11,283	10,448
Consulting fees	8,940	8,268	8,606	8,088
Allowance for decline value of inventories	(1,106)	3,944	1,304	1,190
Impairment of assets	22,685	-	-	-
Manufacturing wages	4,881	207	-	-

28. Tax expense (income)

28.1 Major components of tax expense (income)

For the years ended December 31, 2022 and 2021 consisted of :

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2022	2021	2022	2021
Income tax expense (income) shown in profit or loss :				
Current tax expense:				
Income tax expense for the year	1,400	404	-	-
Deferred tax expense (income):				
Changes in temporary differences relating to the original recognition and reversal	(1,319)	(3,172)	(1,511)	(1,924)
Total	81	(2,768)	(1,511)	(1,924)
Income tax relating to components of other comprehensive income :				
Gain (loss) estimation over actuarial principle	580	426	580	-
Gain from measurement fair value of other long-term investment	11,573	-	11,573	-
Total	12,153	426	12,153	-

28.2 A numerical reconciliation between tax expense (income) and the product of accounting profit multiplied by the applicable tax rate

For the years ended December 31, 2022 and 2021 which are summarized as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2022	2021	2022	2021
Accounting profit (loss) for the period	(52,902)	(1,728)	32,240	8,814
The applicable tax rate (%)	20	20	20	20
Tax expense (income) at the applicable tax rate	(10,580)	(346)	6,448	1,763
Reconciliation items:				
Tax effect of expenses that are not deductible in determining tax profit:				
- Expenses not allowed as expenses in determining taxable profit	10,400	2,465	1,608	1,425
Not recognized tax loss as deferred tax asset	20,573	15,601	4,225	4,211
Tax effect of income or profit that are not required in determining taxable profit:				
- Exemption of non-taxable dividend income	(4,258)	(3,667)	(13,276)	(8,761)
Others	(16,054)	(16,821)	(516)	(562)
Total reconciliation items	10,661	(2,422)	(7,959)	(3,687)
Total tax expense (income)	81	(2,768)	(1,511)	(1,924)

28.3 A numerical reconciliation between the average effective tax rate and the applicable tax rate

For the years ended December 31, 2022 and 2021 are summarized as follows:

	Consolidated Financial Statements			
	2022		2021	
	Tax amount (In Thousand Baht)	Tax rate (%)	Tax amount (In Thousand Baht)	Tax rate (%)
Accounting profit (loss) before tax expense for the year	(52,902)		(1,728)	
Tax expense (income) at the applicable tax rate	(10,580)	20.00	(346)	20.00
Reconciliation items	10,661	(20.15)	(2,422)	140.16
Tax expense (income) at the average effective tax rate	81	(0.15)	(2,768)	160.16

	Separate Financial Statements			
	2022		2021	
	Tax amount (In Thousand Baht)	Tax rate (%)	Tax amount (In Thousand Baht)	Tax rate (%)
Accounting profit (loss) before tax expense for the year	32,240		8,814	
Tax expense (income) at the applicable tax rate	6,448	20.00	1,763	20.00
Reconciliation items	(7,959)	(24.69)	(3,687)	(41.83)
Tax expense (income) at the average effective tax rate	(1,511)	(4.69)	(1,924)	(21.83)

29. EARNINGS (LOSS) PER SHARE

Basic earnings (loss) per share is calculated by dividing profit for the year attributable to equity holders of the parent company for the year by the weighted average number of ordinary shares which are issued during the year and held by outside party.

	Consolidated Financial Statements		Separate Financial Statements	
	For the years ended December 31,		For the years ended December 31,	
	2022	2021	2022	2021
Profit (loss) for the years to equity holders (Thousand Baht)				
Profit (loss) attributable to equity holders of the parent company	(54,224)	(5,029)	33,750	10,738
Weighted average number of ordinary shares (Thousand shares)	593,126	593,126	593,126	593,126
Basic earnings (loss) per share of the parent company				
Profit (loss) for the years (Baht per share)	(0.091)	(0.008)	0.057	0.018

30. SEGMENTAL FINANCIAL INFORMATION

	In Thousand Baht									
	Consolidated Financial Statements									
	2022					2021				
	Furniture	Revenue of construction work	Energy	Eliminated	Total	Furniture	Revenue of construction work	Energy	Eliminated	Total
Revenues from sales and service	1,793,114	-	52,801	(33,587)	1,812,328	1,668,035	-	4,637	(25,250)	1,647,422
Revenues from construction work	-	106,765	-	-	106,765	-	90,142	-	-	90,142
Total revenues	1,793,114	106,765	52,801	(33,587)	1,919,093	1,668,035	90,142	4,637	(25,250)	1,737,564
Costs of sales and services	(1,576,963)	-	(47,085)	34,328	(1,589,720)	(1,432,450)	-	(1,509)	27,869	(1,406,090)
Costs of construction work	-	(99,688)	-	-	(99,688)	-	(78,015)	-	-	(78,015)
Total cost	(1,576,963)	(99,688)	(47,085)	34,328	(1,689,408)	(1,432,450)	(78,015)	(1,509)	27,869	(1,484,105)
Total gross profit	216,151	7,077	5,716	741	229,685	235,585	12,127	3,128	2,619	253,459
Property, plant and equipment					1,405,767					1,511,950
Other assets					2,085,185					2,026,228
Total assets as at December 31,					3,490,952					3,538,178
Total liabilities as at December 31,					698,027					695,124

	In Thousand Baht			
	Consolidated financial statement		Separate financial statement	
	2022	2021	2022	2021
Timing of revenue recognition:				
Revenue recognised at a point in time	1,812,328	1,647,422	823,126	773,033
Revenue recognised over time	106,765	90,142	106,765	90,142
Total revenue from contracts with customers	<u>1,919,093</u>	<u>1,737,564</u>	<u>929,891</u>	<u>863,175</u>

31. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Changes in the liabilities arising from financing activities for the years ended December 31, 2022 and 2021 are as follows:

	Consolidated Financial Statements (In Thousand Baht)			
	Balance as at	Cash flows	Non-cash transaction	Balance as at
	January	increase	Increase	December
	1, 2022	(decrease)*	(decrease)	31, 2022
Short-term loans from related companies	51,050	50,300	-	101,350
Long-term loan from financial institution	7,183	(5,784)	-	1,399
Lease liability	23,933	(10,481)	6,913	20,365
Total	<u>82,166</u>	<u>34,035</u>	<u>6,913</u>	<u>123,114</u>

	Consolidated Financial Statements (In Thousand Baht)			
	Balance as at	Cash flows	Non-cash transaction	Balance as at
	January	increase	Increase	December
	1, 2021	(decrease)*	(decrease)	31, 2021
Short-term loans from related companies	64,550	(13,500)	-	51,050
Long-term loan from financial institution	77,029	(69,846)	-	7,183
Lease liability	25,369	(11,071)	9,635	23,933
Total	<u>166,948</u>	<u>(94,417)</u>	<u>9,635</u>	<u>82,166</u>

	Separate Financial Statements (In Thousand Baht)			
	Balance as at	Cash flows	Non-cash	Balance as at
	January	increase	transaction	December
	1, 2022	(decrease)*	Increase	31, 2022
Long-term loan from financial institution	7,183	(5,784)	-	1,399
Lease liability	12,133	(4,060)	5,759	13,832
Total	<u>19,316</u>	<u>(9,844)</u>	<u>5,759</u>	<u>15,231</u>

	Separate Financial Statements (In Thousand Baht)			
	Balance as at	Cash flows	Non-cash	Balance as at
	January	increase	transaction	December
	1, 2021	(decrease)*	Increase	31, 2021
Long-term loan from financial institution	12,967	(5,784)	-	7,183
Lease liability	12,483	(3,502)	3,152	12,133
Total	25,450	(9,286)	3,152	19,316

* Financing cash flows included net proceed and repayment cash transactions in the statements of cash flows.

32. BANK GUARANTEE AND CONTINGENT LIABILITIES

As at December 31, 2022, the Company has outstanding guarantees of approximately Baht 129.03 million which were issued by certain local banks as required in the normal course of business of the Company.

As at December 31, 2022, the subsidiary companies have outstanding guarantees of approximately Baht 2.55 million which were issued by certain customers as required in the normal course of business of the subsidiary companies.

33. COMMITMENT

33.1 As at December 31, 2022, the Group has various operating lease agreement, vehicles and computer service fee for periods of 1-3 years. Under the terms of these agreements, the Group are committed to pay the rental as follows :

	In Thousand Baht	
	Consolidated	Separate
	Financial Statements	Financial Statements
Within 1 year	533	312
Within 2 years - 5 years	624	624

33.2 In July 2022, the subsidiary entered into a financial lease agreement with a company for the solar roof installation of about Baht 28.89 million. It was expected to finish the installation and was effective under the hire-purchase agreement on April 13, 2023, with 5 year lease period.

34. DISCLOSURE OF FINANCIAL INSTRUMENTS

34.1 Interest Rate Risk

As at December 31, 2022 and 2021, the Group has financial assets and financial liabilities with exposure to interest rate risk as follows:

	In Thousand Baht			
	Consolidated Financial Statements			
	2022			
	Floating rate	Fixed rate	None -interest	Total
Financial assets / liabilities				
Cash and cash equivalents	274,573	5,070	270	279,913
Trade accounts receivable from sales and services	-	-	207,159	207,159
Other current receivables	-	-	49,219	49,219
Current contract assets	-	-	40,359	40,359
Restricted deposit with bank	900	5,215	-	6,115
Trade and other non - current receivables	-	-	66,044	66,044
Short-term loan from financial institution	-	63,000	-	63,000
Short - term loan from related companies	-	101,350	-	101,350
Trade accounts payable - general suppliers	-	-	168,798	168,798
Trade and other current payables - related companies	-	-	24,066	24,066
Long-term loans from financial institutions	-	1,399	-	1,399
Lease liabilities	-	20,365	-	20,365

	In Thousand Baht			
	Consolidated Financial Statements			
	2021			
	Floating rate	Fixed rate	None -interest	Total
Financial assets / liabilities				
Cash and cash equivalents	244,024	5,064	499	249,587
Trade accounts receivable from sales and services	-	-	216,533	216,533
Other current receivables	-	-	31,072	31,072
Trade accounts receivable from construction work	-	-	2,602	2,602
Current contract assets	-	-	24,245	24,245
Restricted deposit with bank	421	5,219	-	5,640
Trade and other non - current receivables	-	-	54,506	54,506
Short-term loan from financial institution	-	65,000	-	65,000
Short - term loan from related companies	-	51,050	-	51,050
Trade accounts payable - general suppliers	-	-	185,916	185,916
Trade and other current payables - related companies	-	-	20,911	20,911
Long-term loans from financial institutions	-	7,183	-	7,183
Lease liabilities	-	23,939	-	23,939

	In Thousand Baht			
	Separate Financial Statements			
	2022			
	Floating rate	Fixed rate	None - interest	Total
<u>Financial assets / liabilities</u>				
Cash and cash equivalents	165,414	-	180	165,594
Trade accounts receivable from sales and services	-	-	171,651	171,651
Other current receivables	-	-	297,418	297,418
Current contract assets	-	-	40,359	40,359
Short-term loan to related companies	-	-	57,668	57,668
Restricted deposit with bank	420	5,000	-	5,420
Trade and other non-current receivables	-	-	66,044	66,044
Short-term loan from financial institutions	-	3,000	-	3,000
Trade accounts payable - general suppliers	-	-	102,491	102,491
Trade and other current payables - related companies	-	-	20,708	20,708
Long-term loans from financial institutions	-	1,339	-	1,339
Lease liabilities	-	10,390	-	10,390

	In Thousand Baht			
	Separate Financial Statements			
	2021			
	Floating rate	Fixed rate	None - interest	Total
<u>Financial assets / liabilities</u>				
Cash and cash equivalents	160,108	-	376	160,484
Trade accounts receivable from sales and services	-	-	139,019	139,019
Other current receivables	-	-	235,395	235,395
Trade accounts receivable from construction work	-	-	2,602	2,602
Current contract assets	-	-	24,245	24,245
Short-term loan to related companies	-	-	57,691	57,691
Restricted deposit with bank	420	5,000	-	5,420
Trade and other non-current receivables	-	-	54,506	54,506
Trade accounts payable - general suppliers	-	-	91,557	91,557
Trade and other current payables - related companies	-	-	21,878	21,878
Long-term loans from financial institutions	-	7,183	-	7,183
Lease liabilities	-	9,493	-	9,493

As of December 31, 2022 and 2021, the financial instruments classified by the periods of time from the statement of financial position date to their maturity dates are as follows:

	In Thousand Baht					
	Consolidated Financial Statements					
	At of December 31, 2022					
	At call	1 - 6 months	7 - 12 months	Over 12 months	Total	Interest rate
<u>Financial assets / liabilities</u>						
Cash and cash equivalents	274,843	5,070	-	-	279,913	0.25% - 0.40%
Restricted deposit with bank	-	6,114	-	-	6,114	0.125% - 3.00%
Short-term loan from financial institution	-	63,000	-	-	63,000	1.80% - 3.50%
Short - term loans from related company	-	53,000	48,350	-	101,350	1.00% - 1.475%
Long-term loans from financial institutions	-	1,399	-	-	1,399	4.75%

	In Thousand Baht					
	Consolidated Financial Statements					
	At of December 31, 2021					
	At call	1 - 6 months	7 - 12 months	Over 12 months	Total	Interest rate
<u>Financial assets / liabilities</u>						
Cash and cash equivalents	249,587	-	-	-	249,587	0.05% - 0.25%
Restricted deposit with bank	-	5,640	-	-	5,640	0.125% - 3.00%
Short-term loan from financial institution	-	65,000	-	-	65,000	1.30% - 1.31%
Short - term loans from related company	-	31,500	19,550	-	51,050	1.00% - 1.475%
Long-term loans from financial institutions	-	-	-	7,183	7,183	4.75%

	In Thousand Baht					
	Separate Financial Statements					
	At of December 31, 2022					
	At call	1 - 6 months	7 - 12 months	Over 12 months	Total	Interest rate
<u>Financial assets / liabilities</u>						
Cash and cash equivalents	165,594	-	-	-	165,594	0.25% - 0.35%
Short-term loans from related companies	-	57,668	-	-	57,668	4.75%
Restricted deposit with bank	-	5,420	-	-	5,420	0.125%
Short-term loans from financial institution	-	3,000	-	-	3,000	3.50%
Loans from financial institutions	-	1,399	-	-	1,399	4.75%

	In Thousand Baht					Interest rate
	Separate Financial Statements					
	At of December 31, 2021					
	At call	1 - 6 months	7 - 12 months	Over 12 months	Total	
<u>Financial assets / liabilities</u>						
Cash and cash equivalents	160,484	-	-	-	160,484	0.125% - 0.25%
Short-term loans from related companies	-	57,691	-	-	57,691	4.75%
Restricted deposit with bank	-	5,420	-	-	5,420	0.125%
Loans from financial institutions	-	-	-	7,183	7,183	4.75%

34.2 Foreign Exchange Risk

The Company's exposure to foreign currency risk arises mainly from trading transactions that are denominated in foreign currencies

As at December 31, 2022, the balances of financial assets and liabilities denominated in foreign currencies are as follows :

Foreign currency	Financial assets (Thousand)	Financia liabilities (Thousand)	Average exchange rate as at December 31, 2022 (Baht per 1 foreign currency unit)
USD	553	112	34.5624
JPY	8,091	2,700	0.2609
CNY	-	164	4.9664

34.3 Liquidity Risk

Liquidity risk arises from the possibility that customers may not be able to settle obligations to the Company within the normal terms of trade. To manage this risk, the Group periodically assess the financial viability of customers.

34.4 Credit Risk

Credit risk is the risk that a counter party is unable or unwilling to meet a commitment agreed with the Group. To manage this risk, the Group periodically assess the financial viability of customers.

The carrying amount of accounts receivable recorded in the statement of financial position, net of allowance accounts, is the maximum exposure to credit risk.

34.5 Fair value

The Group's use the market approach to measure and disclosure their assets and liabilities that are required to be measured or disclosure at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available.

Fair value hierarchy

Level 1 - Use of quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Use of inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (e.g. prices) or indirectly (e.g. derived from prices).

Level 3 - The fair values of other non-current financial assets, which are non-marketable securities are based on the net asset method whereby the information is reasonably available.

As at December 31, 2022 and 2021, the Group has assets that are measured at fair value or fair value. Classified by fair value hierarchy as follows:-

	Consolidated financial statements/Separate financial statements (In Thousand Baht)			
	As at December 31, 2022			
	Level 1	Level 2	Level 3	Total
Assets for which fair value are measured				
Other non-current financial assets				
- Other loan-term investment	-	-	107,576	107,576

	Consolidated financial statements/Separate financial statements (In Thousand Baht)			
	As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Assets for which fair value are measured				
Other non-current financial assets				
- Other loan-term investment	-	-	84,530	84,530

Techniques of financial instrument valuation

In 2022, the Company assessed long-term investment value in other company using the technique of present value assessment approach of paid dividends from former 2021 technique of revised net asset value as the method reflects more appropriate fair value.

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Reconciliation of Level 3 fair value measurements of financial instruments

	In Thousand Baht
	Consolidated financial statements/Separate financial statements
Balance as at January 1, 2021	78,128
Total gains or losses:	
other comprehensive income	6,402
Balance as at January 1, 2022	84,530
Total gains or losses:	
other comprehensive income	23,046
Balance as at December 31, 2022	107,576

34.6 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest rates closed to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

35. RECLASSIFICATION

Certain amounts in the financial statement for the year ended December 31, 2021 have been reclassified to the current period classification with no effect to the previously reported profit for the period or shareholder's equity.

	In Baht		
	Consolidated Financial Statements		
	As previous reported	Adjustment increase (decrease)	As restated
<u>The statement of comprehensive income</u>			
<u>For the year ended December 31, 2021</u>			
Sales and services income	1,640,968,746	6,454,188	1,647,422,934
Selling expenses	(150,071,624)	(6,454,188)	(156,525,812)
	In Baht		
	Separate financial statement		
	As previous reported	Adjustment increase (decrease)	As restated
<u>The statement of comprehensive income</u>			
<u>For the year ended December 31, 2021</u>			
Sales and services income	766,579,030	6,454,188	773,033,218
Selling expenses	(149,255,660)	(6,454,188)	(155,709,848)

36. EFFECT FROM THE FIRE INCIDENT

According to Siam Biomass Manufacturing Co., Ltd., as an indirect subsidiary, had suffered from fire incident in 2020, the loss from such incident had been recorded at the total amount of Baht 55.87 million. In January 2021, the Company had received the compensation from the insurers amounted Baht 43.71 million. Due to the policy specified the benefits to the bank in accordance with the obligation as the assets were obliged to the bank as a guarantee, therefore, it had been recorded as other receivables in the statement of financial position and other income amounted Baht 43.71 million. The Company had stated the net other income from other expense as the total loss of Baht 12.16 million in the statement of comprehensive income for the year 2020.

In March 2021, the indirect subsidiary had received the compensation from the insurers amounted Baht 43.71 million including some operating capital to repay all loan from bank. Currently, the subsidiary is in the process of redeeming the guarantee obligation with the bank and carrying out the restoration of buildings and machineries in order to resume its production as soon as possible.

37. EVENT AFTER THE REPORTING PERIOD

37.1 On February 27, 2023, the Company's Board of Directors passed a resolution to propose the payment of a dividend from operating result for the year ended December 31, 2022 of Baht 0.03 per share, total amount of Baht 17.79 million on May 25, 2023 to the common shareholders. The dividend payments must be approved at the Annual General Meeting of the Company's shareholders.

37.2 On January 4, 2023, the meeting of the board of directors had a resolution to establish a subsidiary which consists of manufacturing business and selling finished building and related goods, including construction business. The Company invested at 99.99 percent in total Baht 13,999,930.

38. AUTHORIZATION FOR ISSUE OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Company's Board of Directors on February 27, 2023.

ATTACHMENT 1 INFORMATION OF DIRECTORS, EXECUTIVES, CONTROLLING PERSONS, THE PERSON TALKING THE HIGHEST RESPONSIBILITY IN FINANCE AND ACCOUNTING, THE PERSON SUPERVISING AND COMPANY SECRETARY (AS OF DECEMBER 31, 2022)

Name-Surname/ Position/ Date of Appointment	Age (Years)	Family Relationship between Directors and Executives	Education / Training Background	Shareholding Proportion in the Company		Work Experience		
				Number	(%)	Period	Position	Company
1. Mr. Wanchai Kumanantakul* Chairman of the Board of Director 27/12/1993 (29 Years)	84	husband of the 7 th , father of the 8 th - 11 th	<ul style="list-style-type: none"> Honorary Doctor's Degree, Kensington University, USA. DAP 64/2007 	101,936,381	17.19	Present	Chairman	Siam Steel Service Center Public Company Limited
								Panasonic SPT (Thailand) Co., Ltd.
								Siam Okaya Chemical Co., Ltd.
								Siam Steel Vietnam Co., Ltd.
								Siam Goshi Manufacturing Co., Ltd.
								Siam International Energy Ltd.
								Bangphra Green Energy Ltd.
								Siam Biomass Product Ltd.
								Siam International Biomass Ltd.
								Siam Forest Management Ltd.
								Siam Biomass Manufacturing Ltd.
								Siam Okamura International Co., Ltd.
								Siam Nippon Steel Logistics Co., Ltd.
								Siam Taihei Engineering Co., Ltd.
							President	Siam Okamura Steel Co., Ltd.
								Sricharoen International Co., Ltd.
								Unity Service Co., Ltd.
								Siam Chitose Co., Ltd.
								Hirokoh (Thailand) Co., Ltd.
							Director	Formica (Thailand) Co., Ltd.
								Union Autoparts Manufacturing Co., Ltd.

* Directors who are authorized to sign on behalf of the Company as specified in Company Affidavit.

Name-Surname/ Position/ Date of Appointment	Age (Years)	Family Relationship between Directors and Executives	Education / Training Background	Shareholding Proportion in the Company		Work Experience		
				Number	(%)	Period	Position	Company
2. Mr. Manu Leopaiprote Independent Director / Chairman of the Audit Committee / Chairman of the Risk Management Committee / Member of the Nomination and Remuneration Committee 8/11/2006 (16 Years 1 Month)	79	-None-	<ul style="list-style-type: none"> Honorary Doctorate Degree in Business Administration, Thammasat University M.Sc. in Economics, University of Kentucky, USA. B.Sc. in Economics (Hons.), Thammasat University DCP 30/2003 DAP 2003 	-	-	Present	Chairman	T.M.C. Industrial Public Company Limited Polyplex (Thailand) Public Company Limited Khon Kaen Sugar Industry Public Company Limited ARIP Public Company Limited Thai Beverage Public Company Limited (Singapore Stock Market)
3. Mr. Supong Chayutsahakij Independent Director / Chairman of the Corporate Governance Committee / Member of the Audit Committee / Member of the Risk Management Committee 8/11/2006 (16 Years 1 Month)	81	-None-	<ul style="list-style-type: none"> Honorary Doctorate Degree in Business Administration (management), Phranakkhon Rajabhat University Master of Management, Sasin Graduate Institute of Business Administration of Chulalongkorn University Master of Engineering (Electrical), University of Tokyo DCP 8/2001 ACP 17/2007 	-	-	1996-2021 2009-2017 2007-Present 2016-Present	Executive Director Chairman Director Executive Director	Northern Bangkok Expressway Co., Ltd. Bangkok Metro Networks Co., Ltd. SouthEast Asia Energy Co., Ltd. Bangkok Expressway and Metro Public Company Limited

* Directors who are authorized to sign on behalf of the Company as specified in Company Affidavit.

Name-Surname/ Position/ Date of Appointment	Age (Years)	Family Relationship between Directors and Executives	Education / Training Background	Shareholding Proportion in the Company		Work Experience		
				Number	(%)	Period	Position	Company
4. Lec Sitoravit Independent Director / Chairman of the Nomination and Remuneration Committee / Member of the Audit Committee / Member of the Risk Management Committee 8/11/2006 (16 Years 1 Month)	65	-None-	<ul style="list-style-type: none"> M.B.A., Tarleton State University, Texas, USA B.B.A., Hosei University, Tokyo, Japan DCP 42/2004 ACP 17/2007 	-	-	May, 2008 - Jan, 2021 1999 - Dec, 2020 Dec, 2021 - 2022 Jan, 2022 - Present July, 2022 - Present	President Director Advisor Director Advisor	Asia Plus Advisory Co., Ltd. CS Planner Co., Ltd. Country Group Securities Public Company Limited SNC Former Public Company Limited Greenfield Chemicals (Thailand) Co., Ltd.
				5. Sakthip Krairiksh Independent Director / Member of the Nomination and Remuneration Committee / Member of the Corporate Governance Committee / Member of the Audit Committee 14/11/2012 (10 Years 1 Month)	75	-None-	<ul style="list-style-type: none"> Honorary Doctorate Degree, Soka University, Japan. Doctorate Degree (Public Administration), Bangkok Thonburi University Master Degree (Public Administration), Bangkok Thonburi University Bachelor degree (Political Science), Boston University, USA. DAP 24/2004 DCP 79/2006 	-

* Directors who are authorized to sign on behalf of the Company as specified in Company Affidavit.

Name-Surname/ Position/ Date of Appointment	Age (Years)	Family Relationship between Directors and Executives	Education / Training Background	Shareholding Proportion in the Company		Work Experience		
				Number	(%)	Period	Position	Company
6. Dr. Boonwa Thampitakkul Independent Director / Member of the Corporate Governance Committee / Member of the Risk Management Committee / Member of the Audit Committee 28/08/2009 (13 Years 4 Months)	74	-None-	<ul style="list-style-type: none"> Docteur de Troisième Cycle (Sciences de Gestion) Aix-Marseille III / France. D.E.A. (Sciences de Gestion) Aix-Marseille III / France. M.S. (Ind. & Mgt.Eng.). University of Iowa / USA. B.E. (Ind.Eng) University of New South Wales / Australia. DAP 62/2007 	2,108	0.00	2008-Present	Lecturer Special	Department of Industrial Engineering, Faculty of Engineering, Chulalongkorn University
7. Mrs. Orachorn Kunanantakul Director 27/12/1993 (29 Years)	77	wife of the 1 st , and mother of the 8 th -11 th	<ul style="list-style-type: none"> Primary education DAP 63/2007 	40,148,274	6.77	Present	-	not serving as committees in any other companies

* Directors who are authorized to sign on behalf of the Company as specified in Company Affidavit.

Name-Surname/ Position/ Date of Appointment	Age (Years)	Family Relationship between Directors and Executives	Education / Training Background	Shareholding Proportion in the Company		Work Experience		
				Number	(%)	Period	Position	Company
8. Mr. Surasak Kunanantakul * Director, Vice Chairman of the Board of Director 27/12/1993 (29 Years)	58	child of the 1 st and 7 th	<ul style="list-style-type: none"> Bachelor of Economics, Asia University, Japan. DAP 51/2006 	47,450,000	8.00	Present	President Executive Director Director	Siam Steel Service Center Public Company Limited Siam Steel OC Co., Ltd. Siam International Energy Ltd. Sricharoen International Co., Ltd. Siam Okamura International Co., Ltd. Siam Okamura Steel Co., Ltd., Unity Service Co., Ltd. Siam Steel Vietnam Co., Ltd. Bangphra Green Energy Ltd. Siam Biomass Product Ltd. Siam International Biomass Ltd. Siam Forest Management Ltd. Siam Biomass Manufacturing Ltd.

* Directors who are authorized to sign on behalf of the Company as specified in Company Affidavit.

Name-Surname/ Position/ Date of Appointment	Age (Years)	Family Relationship between Directors and Executives	Education / Training Background	Shareholding Proportion in the Company		Work Experience		
				Number	(%)	Period	Position	Company
9. Mr. Surapol Kunanantakul * Director, President 10/3/2006 (16 Years 9 Months)	55	child of the 1 st and 7 th	<ul style="list-style-type: none"> M.B.A., Philadelphia College of Textiles & Science, USA. DAP 64/2007 	47,450,000	8.00	Present	Vice President Executive Director Director	Siam Steel Service Center Public Company Limited Siam International Energy Ltd. Siam Okamura Steel Co., Ltd. Siam Okamura International Co., Ltd. Siam Steel OC Co., Ltd. Siam Steel Vietnam Co., Ltd. Bangphra Green Energy Ltd. Siam Biomass Product Ltd. Siam International Biomass Ltd. Siam Forest Management Ltd. Siam Biomass Manufacturing Ltd.
10. Mrs. Naphaporn Hoonthanaseevee * ** Director, Vice President, Financial & Accounting 10/3/2006 (16 Years 9 Months)	56	child of the 1 st and 7 th	<ul style="list-style-type: none"> M.B.A., Drexel University, USA. Bachelor of Economics, Thammasat University DAP 63/2007 	47,450,000	8.00	Present	Vice President Director	Sricharoen International Co., Ltd. Unity Service Co., Ltd. Hirokoh (Thailand) Co., Ltd. Siam Steel Service Center Public Company Limited Siam Steel OC Co., Ltd. Siam International Energy Ltd. Bangphra Green Energy Ltd. Siam Biomass Product Ltd. Siam International Biomass Ltd. Siam Forest Management Ltd. Siam Biomass Manufacturing Ltd.

* Directors who are authorized to sign on behalf of the Company as specified in Company Affidavit.

** Assigned persons who are highest responsible for accounting and finance

Name-Surname/ Position/ Date of Appointment	Age (Years)	Family Relationship between Directors and Executives	Education / Training Background	Shareholding Proportion in the Company		Work Experience		
				Number	(%)	Period	Position	Company
11. Mr. Sittichai Kumanantakul * Director 10/3/2006 (16 ๓ 9 (๑๐๖))	52	child of the 1 st and 7 th	<ul style="list-style-type: none"> Political Science, Ramkhamhaeng University DAP 68/2008 	47,450,000	8.00	Present	Director	Siam Steel Service Center Public Company Limited Union Autoparts Manufacturing Co., Ltd. Siam Okaya Chemical Co., Ltd. Siam Steel Vietnam Co., Ltd. Siam International Energy Ltd. Bangphra Green Energy Ltd. Siam Biomass Product Ltd. Siam International Biomass Ltd. Siam Forest Management Ltd. Siam Biomass Manufacturing Ltd.

* Directors who are authorized to sign on behalf of the Company as specified in Company Affidavit.

DETAILS OF DIRECT RESPONSIBLE PERSON FOR ACCOUNTING SUPERVISION / COMPANY SECRETARY

Name-Surname/ Position/ Date of Appointment	Age (Years)	Family Relationship between Directors and Executives	Education / Training Background	Shareholding Proportion in the Company		Work Experience		
				Number	(%)	Period	Position	Company
Mr. Phichet Kimsin Senior Accounting Manager/ 31/5/2018 Company Secretary/ 11/08/2022	47	-None-	<ul style="list-style-type: none"> • Master of Accountancy, Chulalongkorn University • B.B.A. (Accounting), Rajamangala Institute of Technology • Recording income and expenses Effect on Net Profit, Dharmniti Seminar and Training Co., Ltd. (6 Hours) • Accrual criteria for accounting problems in accordance with the financial reporting standards of the entity NPAsEs, Dharmniti Seminar and Training Co., Ltd. (6 Hours) • Company Secretary Program Class 133/2022 - IOD 	-	-	2018 - Present 2009 - 2017 2004 - 2008	Accounting Manager Accounting Manager Accounting Manager	Siam Steel International Public Company Limited Siam Chitose Company Limited Sammitr Motor Manufacturing Public Company Limited

Assigned persons who are directly responsible for accounting supervision / Responsibilities detail is shown under the topic of Corporate Governance Structure

DETAILS OF EXECUTIVES AND CONTROLLING PERSON OF THE COMPANY IN INDIRECT SUBSIDIARY COMPANIES

List of company		Company	Indirect Subsidiary Companies				
List of name			BGE	SBP	SIB	SFM	SBM
1. Mr. Wanchai	Kunanantakul	//, x	/, x	/, x	/, x	/, x	/, x
2. Mr. Manu	Leopairote	/					
3. Mr. Supong	Chayutsahakij	/					
4. Mr. Lec	Sicoravit	/					
5. Mr. Sakthip	Krairiksh	/					
6. Dr. Boowa	Thampitakkul	/					
7. Mrs. Orachorn	Kunanantakul	/					
8. Mr. Surasak	Kunanantakul	//, xx	/	/	/	/	/
9. Mr. Surapol	Kunanantakul	//, #	/	/	/	/	/
10. Mrs. Naphaporn	Hoonthanaseevee	//, ##	/	/	/	/	/
11. Mr. Sittichai	Kunanantakul	/	/	/	/	/	/

Remark

- / = Director // = Executive Director X = Chairman XX = Vice Chairman
 XXX = Chairman # = President ## = Vice President /// = Executive
- Related Companies means the definition of juristic person of a person who may have a conflict of interest in this notice.

SOC	= Siam Okamura Steel Co., Ltd.	SNL	= Siam Nippon Steel Logistics Co., Ltd.
SCI	= Sricharoen International Co., Ltd.	STEC	= Siam Taihei Engineering Co., Ltd.
SSOC	= Siam Steel OC Co., Ltd.	SCL	= Siam Chitose Co., Ltd.
SOI	= Siam Okamura International Co., Ltd.	USL	= Unity Service Co., Ltd.
SSSC	= Siam Steel Service Center Public Company Limited	HKT	= Hirokoh (Thailand) Ltd.
UAM	= Union Autoparts Manufacturing Co., Ltd.	FORMICA	= Formica (Thailand) Co., Ltd.
PSPTTH	= Panasonic SPT (Thailand) Co., Ltd.	(THAILAND)	
OKAYA	= Siam Okaya Chemical Co., Ltd.	BGE	= Bangphra Green Energy Ltd.
SSVN	= Siam Steel Vietnam Co., Ltd.	SBP	= Siam Biomass Product Ltd.
SIE	= Siam International Energy Ltd.	SIB	= Siam International Biomass Ltd.
SGM	= Siam Goshi Manufacturing Co., Ltd.	SFM	= Siam Forest Management Ltd.
		SBM	= Siam Biomass Manufacturing Ltd.

DETAIL OF DIRECTORS AND SUBSIDIARIES

List of Subsidiary		SCI	SOC	SSOC	SIE
List of Directors					
Mr. Wanchai	Kunanantakul	/, #	//, #		//, X
Mr. Surasak	Kunanantakul	//	/	//, #	//
Mrs. Naphaporn	Hoonthanasevee			/	//
Mr. Surapol	Kunanantakul		/	/	//
Mr. Sittichai	Kunanantakul				/
Miss Duangnate	Duangrahong		/		
Mr. Tomohiko	Ozono		//, ##		
Mr. Kenichi	Yamaki		/		
Mr. Shinichi	Matsumoto		/		
Mr. Atsushi	Koide			//, ##	
Mr. Kazuhisa	Nagasawa			//	

Remark

- / = Director // = Executive Director X = Chairman XX = Vice Chairman
 XXX = Chairman # = President ## = Vice President /// = Executive
- Subsidiary means a significant subsidiary, for example, the income exceeds 10% of total income according to latest fiscal year Income Statement.

SCI = Sri Chareon International Co., Ltd.

SOC = Siam Okamura Steel Co., Ltd.

SSOC = Siam Steel OC Co., Ltd.

SIE = Siam International Energy Ltd.

DETAIL OF DIRECTORS OF INDIRECT SUBSIDIARIES

List of Indirect Subsidiary		BGE	SBP	SIB	SFM	SBM
List of Directors						
Mr. Wanchai	Kunanantakul	/, X	/, X	/, X	/, X	/, X
Mr. Surasak	Kunanantakul	/	/	/	/	/
Mrs. Naphaporn	Hoonthanasevee	/	/	/	/	/
Mr. Surapol	Kunanantakul	/	/	/	/	/
Mr. Sittichai	Kunanantakul	/	/	/	/	/

Remark

- / = Director // = Executive Director X = Chairman XX = Vice Chairman
 XXX = Chairman # = President ## = Vice President /// = Executive
- Subsidiary means a significant subsidiary, for example, the income exceeds 10% of total income according to latest fiscal year Income Statement.

BGE = Bangphra Green Energy Ltd.

SBP = Siam Biomass Product Ltd.

SIB = Siam International Biomass Ltd.

SFM = Siam Forest Management Ltd.

SBM = Siam Biomass Manufacturing Ltd.

INFORMATION ABOUT HEAD OF INTERNAL AUDIT DEPARTMENT AND HEAD OF THE COMPANY'S COMPLIANCE DEPARTMENT

Name	Mr. Sornron Thongprasert
Position	Managing Director, Riskless Solutions Co., Ltd.
Education	<ul style="list-style-type: none"> • Master of Mass Communication Administration (MCA), Thammasat University • Bachelor of Business Administration with a major in Accounting, Burapha University
Work Experience	
2016 - Present	<ul style="list-style-type: none"> • Managing Director, Riskless Solutions Co., Ltd. • Head of Internal Auditor of the companies that is hired for the internal audit services.
1999 - 2016	<ul style="list-style-type: none"> • Internal audit manager, well known in garment and textile industry company. • Internal audit director, well known in feed, farm and food industry public company. • Senior Internal audit manager, well known in hospitality industry public company. • Internal audit manager, manufacturing of the automotive and residential air conditioner products and parts industry public company. • Internal audit manager, Manufacturing of the carpet industry public company. • Internal audit supervisor, Asia's leading health and beauty retailer. • The Institute of Internal Auditors of Thailand (IIAT) • Course: Fundamentals for New Auditors • Course: Internal Audit Procedures
Lecturing Experience	• None
No. of share held as of appointing date	None
Contact information	Tel. 086 - 379 - 8600 E-mail sornron@risklessolutions.com

ASSETS USED IN BUSINESS OPERATIONS AND DETAILS OF ASSET APPRAISAL

4.1 Property, Plant and Machine as of 31 December 2022

Siam Steel International Public Company Limited

<u>Asset</u>	<u>Land Size</u>		<u>Useful</u>	<u>Period of Use</u>	<u>Book Value</u>
	<u>Rai-Ngan-SQ.Wah</u>	<u>Description</u>	<u>Life</u>		<u>(Million Baht)</u>
1. Land Title Deed No. 2415, T. Bangyaparak A. Phrapradaeng, Samutprakarn Province and 2 stories building on full plot of land	9-3-20	Factory Building	20 years	32 years 6 months	13.47
2. Land Title Deed No. 2297, T. Bangyaparak A. Phrapradaeng, Samutprakarn Province and 5 stories office building	2-0-44	Office Building	20 years	32 years 6 months	87.38
3. Land Title Deed No. 2451, T. Bangyaparak A. Phrapradaeng, Samutprakarn Province and 2 stories steel structure building	4-2-21	Factory Building	20 years	32 years 6 months	40.63
4. Land Title Deed No. 2432, T. Bangyaparak A. Phrapradaeng, Samutprakarn Province and 2 stories steel structure building	2-2-15	Factory Building	20 years	32 years 6 months	20.36
5. Land Title Deed No. 2431, T. Bangyaparak A. Phrapradaeng, Samutprakarn Province and 1 story steel structure building	2-1-77	Factory Building	20 years	15 years 6 months	23.86
6. Land Title Deed No. 34096 Land Title Deed No. 39479 T. Bangyaparak, A. Phrapradaeng, Samutprakarn Province and 3 stories steel structure building	3-3-79 0-3-05	Factory Building	20 years	30 years 10 months	56.87
7. Land Title Deed No. 2443 Land Title Deed No. 2444 Land Title Deed No. 2445 Land Title Deed No. 2446 Land Title Deed No. 4934 T. Bangyaparak, A. Phrapradaeng, Samutprakarn province and 3 stories building	2-1-40 3-2-80 1-3-35 3-1-20 2-0-00	Factory Building	20 years	24 years 6 months	193.00

<u>Asset</u>	<u>Land Size</u>		<u>Useful</u>	<u>Period of Use</u>	<u>Book Value</u>
	<u>Rai-Ngan-SQ.Wah</u>	<u>Description</u>	<u>Life</u>		<u>(Million Baht)</u>
8. Land Title Deed No. 13118 and Nor.Sor.3Gor 69, T. Nongbomkluyay,A. Baanrai Uthai Thani province and 9 buildings detail	53-2-29	Factory Building	20 years	5 years	97.68
9. Land Title Deed Nor.Sor.3Gor No. 248	10-2-0		20 years	4 years	168.17
Land Title Deed Nor.Sor.3Gor No. 850	0-1-11				
Land Title Deed Nor.Sor.3Gor No. 221	16-1-77				
Land Title Deed No. 16884	10-3-1				
Land Title Deed No. 5914	6-0-55				
Land Title Deed No. 5915	6-0-55				
Land Title Deed No. 5916	4-3-27				
Land Title Deed No. 5917	9-3-82				
Land Title Deed No. 32160	5-0-0				
10. Machine and Equipment	-	-	5 years	1-32 years 6 months	103.37
11. Decorations, installation and office supplies	-	-	5 years	1-32 years 6 months	5.74
12. Vehicle	-	-	5 years	1-32 years 6 months	1.89
13. Asset under construction -Machine	-	-	-	-	77.06
14. Asset under construction -Building	-	-	-	-	0.29
Total Asset Value					<u>889.77</u>

Sri Chareon International Co., Ltd.

<u>Asset</u>	<u>Land Size</u>		<u>Useful</u>	<u>Period of Use</u>	<u>BookValue</u> <u>(Million Baht)</u>
	<u>Rai-Ngan-SQ.Wah</u>	<u>Description</u>	<u>Life</u>		
1. Decorations, installation and office supplies	-	-	5 years	1-26 years 6 months	0.00
2. Vehicle	-	-	5 years	1-26 years 6 months	0.00
Total Asset Value					0.00

Siam Okamura Steel Co., Ltd.

<u>Asset</u>	<u>Land Size</u>		<u>Useful</u>	<u>Period of Use</u>	<u>BookValue</u> <u>(Million Baht)</u>
	<u>Rai-Ngan-SQ.Wah</u>	<u>Description</u>	<u>Life</u>		
1. Land Title Deed No. 34096	6-3-77	Factory Building	10-20 years	24-34 years	283.55
Land Title Deed No. 39479	4-1-48				
T. Bangyaprak, A. Phrapradaeng, Samutprakarn province					
2. Machine and Equipment	-	-	5-10 ปี	34 years	46.17
3. Decorations, installation and office supplies	-	-	5 ปี	34 years	13.60
4. Vehicle	-	-	5 ปี	27 years	1.26
5. Asset under construction	-	-	-	-	1.92
Total Asset Value					322.32

Siam Steel OC Co., Ltd.

<u>Asset</u>	<u>Land Size</u>		<u>Useful</u>	<u>Period of Use</u>	<u>BookValue</u> <u>(Million Baht)</u>
	<u>Rai-Ngan-SQ.Wah</u>	<u>Description</u>	<u>Life</u>		
1. Decorations, installation and office supplies	-	-	5 years	9 years 6 months	0.04
Total Asset Value					0.04

Siam International Energy Ltd.

<u>Asset</u>	<u>Land Size</u>		<u>Useful</u>	<u>Period of Use</u>	<u>BookValue</u>
	<u>Rai-Ngan-SQ.Wah</u>	<u>Description</u>	<u>Life</u>		
1. Land Title Deed No. 2140, T. Bangsawan A. Prasaeng, Surat Thani Province 1 story factory building	12-3-51.8	Factory Building	20 years	7 years	91.24
2. Machine and Equipment	-	-	5 years	7 years	100.55
3. Decorations, installation and office supplies	-	-	5 years	7 years	0.27
4. Asset under construction-Machine	-	-	-	-	1.58
Total Asset Value					193.64
Total Value of All Asset					1,405.77

4.2 Investment of Company as of December 31, 2022

Subsidiary Companies

Company Name	Nature of Business	Registered Capital (Million Baht)	% share holding	Investment cost (Million Baht)	Number of shares held by the company (shares)	Book Value (Baht/Share)	* Major shareholder / % shareholding
1. Siam Okamura Steel Co., Ltd.	Manufacture and distribution of OA furniture systems for mainly exportation.	88	51%	69.16	448,794	324.15	1. Siam Steel International Plc. 51% 2. Okamura Corporation 49%
2. Sri Charoon International Co., Ltd.	Distribution of office furniture and furniture parts	14	100%	13.99	1,399,993	10.25	Siam Steel International Plc. 100%
3. Siam Steel OC Co., Ltd.	Supply of the following products to the customers within Thailand and the countries in ASEAN:- - Prefabricated building - Partitions and related products - Industrial parts and related products	20	51%	10.20	101,997	62.90	1. Siam Steel International Plc. 51% 2. Orient Corporation 49%
4. Siam International Energy Ltd.	Investment in business of renewable energy business in various forms and other	160	100%	159.99	15,999,997	9.68	Siam Steel International Plc. 100%

Indirect Subsidiary Companies

Company Name	Nature of Business	Registered Capital (Million Baht)	% share holding	Investment cost (Million Baht)	Number of shares held by the company (shares)	Book Value (Baht/Share)	* Major shareholder / % shareholding
1. Bangphra Green Energy Ltd.	Production and distribution power plants of all types and investment in business of renewable energy business in various forms	2.5	100%	2.50	249,998	30.09	Siam International Energy Ltd. 100%
2. Siam Biomass Product Ltd.	Production and distribution power plants of all types and investment in business of renewable energy buy production and distribution biomass, garbage and the other use for fuel	100	100%	92.08	9,999,997	3.82	Siam International Energy Ltd. 100%
3. Siam International Biomass Ltd.	Production and distribution power plants of all types and investment in business of renewable energy buy production and distribution biomass, garbage and the other use for fuel	1	100%	1.00	99,997	6.97	Siam International Energy Ltd. 100%

Company Name	Nature of Business	Registered Capital (Million Baht)	% share holding	Investment cost (Million Baht)	Number of shares held by the company (shares)	Book Value (Baht/Share)	* Major shareholder / % shareholding
4. Siam Forest Management Ltd.	Dealing the business of forestry, wood and forest plantation, to provide, to do and planting all kinds of tree to obtain raw material for renewable energy. To produce, trade, exchange or others in related to the natural resources, natural energy and other energy for both in raw materials, semi-finished products and finished products	20	60%	12.00	1,199,997	-7.38	1. Siam International Energy Ltd. 60% 2. Siam Chitose Co., Ltd. 40%
5. Siam Biomass Manufacturing Ltd.	Production and distribution power plants of all types and investment in business of renewable energy buy production and distribution biomass, garbage and the other use for fuel	100	100%	80.00	9,999,997	-13.42	Siam Biomass Product Ltd. 100%

Associated Companies

Company Name	Nature of Business	Registered Capital (Million Baht)	% share holding	Investment cost (Million Baht)	Number of shares held by the company (shares)	Book Value (Baht/Share)	* Major shareholder / % shareholding
1. Siam Okamura International Co., Ltd.	Distribution of office furniture and public interior furniture	20	49%	9.80	97,993	1,588.96	1. Siam Steel International Plc. 49% 2. Okamura Corporation 49% 3. Bangkok MUFG Co., Ltd. 2%
2. Siam Steel Service Center Public Company Limited	Manufacture and distribution of primary steel parts for various industries, namely automobile, furniture, electrical appliances and electronic, and construction, etc.	640	24.51%	153.75	156,856,000	4.82	1. Siam Steel International Plc. 24.51% 2. Okaya & Company 31.50% 3. Toyota Tsusho Corporation 3.50% 4. Others 40.49%

Remark * Holding shares of 10 percent or more

Other Companies

Company Name	Nature of Business	Registered Capital (Million Baht)	% share holding	Investment cost (Million Baht)	Number of shares held by the company (shares)	Book Value (Baht/Share)	* Major shareholder / % shareholding
1. Panasonic SPT (Thailand) Co., Ltd.	Production and distribution of electrical materials used in construction such as conduits and continuous equipment.	170	5%	11.66	84,996	-	1. Siam Steel International Plc. 5% 2. Panasonic SPT Co., Ltd. 93% 3. Panasonic Life Solutions Sales (Thailand) Company Limited 2%
2. Formica (Thailand) Co., Ltd.	Manufacturing, importing, exporting, manufacturing and distributing plastic coated products (Laminates), transparent sheets that are resistant to high pressure.	199.15	5%	38.05	99,573	-	1. Siam Steel International Plc. 5% 2. Formica (Asia) Limited 95%

4.3 Net Asset Value

Net Asset Value (Total Asset - Total Liability) 2,792.93 Million Baht

Net Asset Value per share 4.71 Baht

** This information is from consolidated Financial Statement.

Detail of Property Appraisal List

-None-

CORPORATE GOVERNANCE POLICY AND CODE OF CONDUCT

The Company prepared the written corporate governance policy and practices, Code of Conduct, Committee Charter, Nomination and Remuneration Committee Charter, Corporate Governance Charter Risk Management Committee Charter and Audit Committee Charter, 5 committees in total. The details presented on www.siamsteel.com, the Company website, under the topic “Investor Relations” on Corporate Governance.

REPORT OF AUDIT COMMITTEE FOR THE YEAR 2022

Dear Shareholders of Siam Steel International Public Company Limited,

The Audit Committee appointed by the Board of Directors consists all independent directors, completely qualified as per the regulations and good practice guidelines of the Audit Committees of the Stock Exchange of Thailand, consisting of 5 independent directors, namely, Mr. Manu Leopairote as Chairman of the Audit Committee, Mr. Supong Chayutsahakij, Mr. Lec Sicoravit, Mr. Sakthip Krairiksh and Dr. Boonwa Thampitakkul as members of the Audit Committee.

The Audit Committee has performed duties as per the scopes, duties and responsibilities assigned by the Board of Directors of the Company which are in line with the regulations of the Stock Exchange of Thailand. During the year 2022, 4 meetings of the Audit Committee were held and in which were the meetings with executives, auditors, as might be appropriate. The essence of the meetings can be summarized as follows:

1. Verification of quarterly and annual financial statements for the year 2022, by inquiring and listening to the clarification from the executives and auditors regarding the correctness and completeness of the financial statements, information disclosing sufficiency as well as acknowledgement of the audit plans of the auditors for 2022, on which the Audit Committee is of the opinion concordant to the auditors that the essence of such financial statements was correct as it should be under the general certified accounting standards.
2. Verification of information on operations and internal control systems in order to evaluate the sufficiency, suitability and effectiveness of internal control systems which will lead to operations being accomplished as per the goals set by taking into account the annual report of internal audit for 2022, which covers the Company's essential working systems, under the approved plans. In this regard, no significant weakness or error was found. Maintenance of assets was properly done and disclosure of information was correct, complete and reliable.
3. Verification of compliance with laws regarding Securities and Stock Exchange, regulations of Stock Exchange of Thailand and laws relating to the Company's businesses. The Company has established the legal department and the compliance department to keep track of, analyze and report on changes of laws and regulations relating to the Company and caused the Company to correctly comply with the laws and regulations. The Audit Committee is of the opinion that there was no significant issue regarding the incompliance with the said laws or regulations.
4. Verification of and provision of comments on relevant matters or matters which may lead to conflict of interests as well as disclosure of information on such matters under the regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission on which the auditors are of the opinion that the said matters were reasonable and of maximum benefits to the Company's business operations and that the disclosure of information was correct and complete.
5. Performance evaluation of the whole committee by annual self-evaluation comparing with the good practice guidelines and charters, the results of which were at the satisfactory level. The Audit Committee's performance was effective and in compliance with the prescribed charters, the results of which have been reported to the Company's Board of Directors.

6. Consideration for selection of, nomination of and proposal for compensation of the auditors for the year 2023 for presentation to the Board of Directors to further request for approval from the 2023 Annual Shareholders' Meeting, for which the Audit Committee has considered the results of performance, independence and suitability of remuneration, and deems as proper to appoint Miss Wannisa Ngambuathong, certified public accountant No. 6838 and/or Miss Chutinant Kopraserthaworn certified public accountant No. 9201 and/or Miss Chotima Kitsirakorn, certified public accountant No. 7318 of Dharmniti Auditing Co., Ltd. as the Company's auditors for 2023 with the remuneration fixed for the annual audit fee is money baht 940,000 and fee for an audit of quarterly financial statements of company and subsidiary companies totaling 3 quarter is money baht 1,895,000 total audit amount not over Baht 2,835,000 on which the Audit Committee is of the following opinions regarding such nomination of auditors:
- In order to comply with the regulations of the Office of the Securities and Exchange Commission regarding the provision requiring the listed company to rotate an auditor who affixes his/her signature certifying financial statements every 7 accounting years, if Miss Wannisa Ngambuathong, the auditor, is appointed as auditor it will be there fourth year and Miss Chutinant Kopraserthaworn and Miss Chotima Kitsirakorn, the auditors, has never signed in the consolidated financial statements of the Company.
 - Such auditors have no relationship with the Company or its subsidiaries.
 - As the management is of the opinion that standards of an audit firm are essential, only qualifications and remuneration of audit firms having the same level of standards were then proposed to the committee for consideration. The Audit Committee has considered and is of the view that the remuneration of nominated auditors is at the reasonable rate compared to proposals of other auditors.
 - The auditors are experienced and specialized in auditing. Previously, the auditors have performed works with knowledge and capabilities in their profession; have provided advices in relation to internal control systems and risks; and have been independent in their performance.
 - Other services provided by audit firm and its affiliates apart from auditing shall not affect the independence of the auditors for the Company's financial statements audit.

In summary, the Audit Committee is of the opinion that the Company has correct financial and operation reports; has appropriate and effective internal control systems, internal audit and risk management; has complied with laws, regulations and obligations; has correctly disclosed related matters; and has sufficiently, transparently and reliably operated its businesses in conformity with the good corporate governance system.



(Mr. Manu Leopaïrote)

Chairman of the Audit Committee

PROJECT REFERENCE

FURNITURE



THEATER / AUDITORIUM SEATINGS

THE GOVERNMENT COMPLEX
COMMEMORATING HIS MAJESTY THE KING'S 80th
BIRTHDAY ANNIVERSARY, 5th DECEMBER, B.E. 2550 (2007)



STORAGE COMBINE CABINET

THE GOVERNMENT COMPLEX
COMMEMORATING HIS MAJESTY THE KING'S
80th BIRTHDAY ANNIVERSARY, 5th DECEMBER,
B.E. 2550 (2007)



MODERN DESKS AND TABLES SYSTEM

THE GOVERNMENT COMPLEX
COMMEMORATING HIS MAJESTY THE KING'S
80th BIRTHDAY ANNIVERSARY, 5th DECEMBER
B.E.2550 (2007)



SOCCER SEATING TEAM SHELTER

RAJAMANGALA STADIUM
MINISTRY OF TOURISM & SPORT



SAFE DEPOSIT LOCKERS

CIMB THAI BANK PUBLIC COMPANY LIMITED



WORKSTATION

INSTITUTE OF PHYSICAL EDUCATION SAMUTSAKHON
MINISTRY OF TOURISM & SPORTS



RETRACTABLE STADIUM SEATINGS

COMMAND AND GENERAL STAFF COLLEGE
MINISTRY OF DEFENSE



LIBRARY SHELVES

NATIONAL INTELLIGENCE AGENCY,
OFFICE OF THE PRIME MINISTER



BANQUET SET

KING CHULALONGKORN MEMORIAL HOSPITAL
MINISTRY OF EDUCATION



THEATER / AUDITORIUM SEATINGS

KASETSART UNIVERSITY
MINISTRY OF EDUCATION



MOBILE STORAGE CABINET

KING NARAI HOSPITAL
MINISTRY OF PUBLIC HEALTH



INTERIOR / FURNITURE FOR PATIENT ROOM

HIS MAJESTY THE KING'S 6th BIRTHDAY ANNIVERSARY
BUILDING PHRAMONGKUTKLAO HOSPITAL
MINISTRY OF DEFENSE

LUCKY BUILDING SYSTEM & ENGINEERING PRODUCTS



BATHROOM PODS

ELO DEL MOSS
ANANDA DEVELOPMENT COMPANY LIMITED.



MOBILE LIBRARY

HRH PRINCESS MAHA CHAKRI SIRINDHORN



FLOOD PROTECTION SYSTEM

KHON KAEN PROVINCE
PROJECT : A ROYAL FUNERAL CEREMONY
FOR LUANG POR KOON PRITSUTTHO

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED

HEAD OFFICE

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