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TMT-CP 018/2018

May 10, 2018

Subject : Management Discussion and Analysis for the first quarter of 2018

To : President  
The Stock Exchange of Thailand

The Board of Directors' Meeting of Thai Metal Trade Public Company Limited ("the Company") No. 2/2018 held on May 10, 2018, approved the interim financial information ended March 31, 2018. The Company's first quarter's net profit was Baht 141.88 million, decreased by 44.27% compared to the same period last year. The changes in operating result were as follows:

1. Revenue from sales was Baht 4,397.66 million, increased by 19.66% compared to the same period last year. This increasing resulted from increasing average selling price of 7.71% according to domestic and global market steel price, and increasing in selling quantity of 10.96% from gaining market share in many market segments.
2. Gross profit margin was 6.77% compared to the same period last year at 12.20%. This lower margin resulted from faster increasing of material cost than the selling price. In addition the domestic and global market steel price was slow down at the end of the quarter.
3. Selling expenses increased Baht 2.89 million or 6.61% mainly from transportation expenses as the growth of sales volume and shipments. Administrative expenses decreased Baht 9.82 million or 11.07% from personnel expenses.
4. Interest expenses increased Baht 4.18 million or 32.08% from short-term loans from financial institutions according to business expansion of the Company.

Please be informed accordingly.

Yours sincerely,

*-Signed-*

(Mr. Paisal Tarasansombat)

Chief Executive Officer