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70 หมู่ 2 ด.ช้างใหญ่ อ.บางไทร จ.พระนครศรีอยุธยา ประเทศไทย 13290
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(Translation)

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Subject : Management Discussion and Analysis of Q3/2020

To : Director and Manager The Stock Exchange of Thailand

M.C.S. Steel Public Company Limited , We are delighted to announce another pleasant Q3 result, We were able to conduct remote inspection through our M.C.S.-Japan during this pandemic period which otherwise made travel impossible, our factory in Thailand and China may be the only very few companies able to ship product to our clients in Japan during this period as usual, The once much criticized M.C.S. Japan investment , this year alone will help MCS make twice of what we have invested, Recognize long term value of investment.

The operating result for the consolidated financial statements of company and subsidiary of Quarter 3/2020 periods ended 30 September 2020 that reviewed by the Independent Auditor , details are as followings ;

1. In Q3/2020, the company's Profit was 288.87 Million Baht , an increase of 88.05 Million Baht from same period of last year. The profit in the separate financial statements was 282.38 Million Baht.
2. In Q3/2020, the company's gross profit in the separate financial statements was 488.47 Million Baht , an increase of 146.24 Million Baht from same period of last year . if included the gross profit from subsidiary companies it will be 545.36 Million Baht ,an increase of 178.93 Million Baht.
3. In Q3/2020, the company's sale revenue was 1,348.84 Million Baht, an increase 397.41 Million Baht or 41.77% from same period of last year which was the sale revenue in the separate financial statements 1,308.64 Million Baht ,an increase of 383.71 Million Baht or 41.49%.

Management Discussion and Analysis of Q3/2020

- 1) In Q3/2020, the delivery work for MCS was 19,190 tons that included
 - a. Export works was 18,738 tons.(included from MCS Xiamen around 3,644 tons)
 - b. Domestic works (ONES project) was 452 tons.

Due to the delivery work of quarter 3/2020 ,increased around 2,638 tons or 15.94% from same period of last year. The sale revenue in the separate financial statements increased of 383.71 Million Baht or 41.49%.

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If included the sale revenue from subsidiary companies, it will be 1,348.84 Million Baht ,an increase of 397.41 Million Baht or 41.77%.

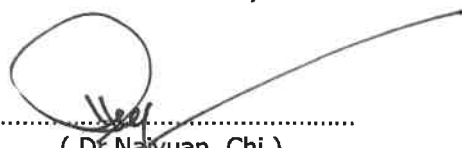
- 2) In Q3/2020, Cost for sales of goods and rendering of services (separate financial statements) was 820.16 Million Baht ,an increase of 237.47 Million Baht from same period of last year due to quarter 3/2020, the delivery work increased by 2,638 tons.

And if included the subsidiary companies ,cost for sales of goods and rendering of services was 803.48 Million Baht ,an increase of 218.48 Million Baht.

- 3) In Q3/2020, the distribution costs was 118.34 Million Baht ,an increase of 118.34 Million Baht due to the delivery work increased.
- 4) At 30 September 2020, Inventories was 1,978.78 Million Baht , a decreased by 87.26 Million Baht from 31 December 2019 due to the delivery works to customer in this period.
- 5) At 30 September 2020, Property, plant and equipment was 1,425.40 Million Baht ,an increased by 133.83 Million Baht from 31 December 2019 due to the machines were bought.

As stated as above No.1 - 3 , In Q3/2020, the. company's profit in Consolidated financial statements was 288.87 Million Baht.

Yours Sincerely


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(Dr.Nanyuan Chi)
Chief Executive Officer

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