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TMT-CP024/2021

May 14, 2021

Subject: Management Discussion and Analysis for the first quarter of 2021

To: President
The Stock Exchange of Thailand

The Board of Directors' Meeting of TMT Steel Public Company Limited ("the Company") No. 2/2021 held on May 14 , 2021, approved the interim financial information ended March 31, 2021. The Company would like to clarify its operating result in the first quarter with the net profit of Baht 423.15 million, increased by 242.74% compared to the same period last year. The changes in operating result were detailed as follows:

1. Revenue from sales was Baht 5,105.74 million, 44.33%, increased from the sales volume which was 12% higher compared to the same period last year caused by the increasing demand from various industrial sectors as well as the general construction sector which have been recovered since the precautionary measures of the Coronavirus disease 2019 ("COVID 19") relaxed during the period.
2. The gross profit margin was 14.39%, increased from 8.85% at the same period last year as an increase of the average selling price at 28.94% leading by the global and local price uptrend from the recovery demand of steel consumption globally in various industries and construction at the same time. Meanwhile, the supply from the upstream steel supply chain was in a shortage. Besides, effective inventory management including appropriate strategy of sales to all customer segments had strengthened the gross profit margin compared to the previous year.
3. Selling expenses increased Baht 3.88 million or 8.57% from the transportation and marketing cost in accordance with the higher sales volume. Administrative expenses increased by Bath 19.67 million or 15.78% from the employee's benefit and welfare, compared to the same period last year.
4. Interest expenses increased by Baht 3.64 million or 16.15% compared to the same period last year by the higher proportion of long-term loan and also the short term loan from financial institutions that increased following the growth of its business.

Please be informed accordingly.

Yours sincerely,

-Signed-

(Mr. Paisal Tarasansombat)

Chief Executive Officer