

SMIT008/2021

November 12, 2021

Subject: Clarification of the Q3/2021 operating results

To: The President
The Stock Exchange of Thailand

Sahamit Machinery Public Company Limited ("the Company") would like to clarify the operating results for the three month and nine month periods ended September 30, 2021, which have been audited and approved by the Audit Committee. The operating results have shown increased compare to the same period of the previous year as the following details:

The operating results for the three month periods ended September 30, 2021 have shown total revenue of Baht 572.13 million, representing an increase from the same quarter of the previous year by Baht 201.33 million or 54.30 percent and the net profit was Baht 77.48 million, an increase from the same quarter of the previous year by Baht 47.62 million or 159.48 percent. The increase in revenue mainly resulted from Steel and Heat Treatment segments.

The operating results for the nine month periods ended September 30, 2021 the company had a profit of Baht 220.15 million, an increase of Baht 105.39 million or 91.84 percent from the same period of the previous year with the following reasons:

1. The Company achieved sales & service revenue amounting to Baht 1,527.95 million which increased by Baht 256.27 million or 20.15 percent as compared to the same period of the previous year. The increase mainly resulted from the Baht 222.01 million in Steel and Heat Treatment segments and others Baht 37.77 million. On the other hand, Machine Tools and Tooling dropped Baht 3.52 million due to the slowdown in the investment in industrial machinery and equipment in manufacturing sector, as a result of the recent outbreak of the coronavirus disease (COVID-19).
2. Gross profit Baht 523.10 million, which increased by Baht 129.20 million or 32.80 percent from the same period of the previous year. The gross profit increased due to a combination of rising demand and the rapid rise in global steel prices. In addition, the company has an appropriate inventory management.
3. Selling and administrative expenses Baht 259.88 million, increased from the same period of the previous year by Baht 21.58 million or 9.06 percent.

4. Unrealized gains on fair value adjustment of Baht 4.11 million consist of forward foreign exchange contracts of Baht 2.23 million and investments in mutual funds of Baht 1.88 million.

Please be informed accordingly.

Sincerely yours,

(Mr. Chaisilp Tamesirichai)

Chairman of the Board