



CSP 010/2022

May 13, 2022

Subject : Management Discussion and Analysis for the three-months period ended March 31,2022

To : President
The Stock Exchange of Thailand

CSP Steel Center Public Company Limited would like to clarify the operating results for the three-months period ended March 31,2022. The company had net profit of Baht 33.11 million. The last year's had net profit of Baht 155.81 million results to net profit decreased by Baht 122.70 million or 78.75% due to the following reasons:

1. Revenue

Total revenue was Baht 879.33 million increase of Baht 26.11 million from the previous year or 3.06% by the following main reasons:

Revenue from sales amount of Baht 877.89 million increased by Baht 24.69 million or 2.89% due to the average selling price of all period increased by 40.94%, caused by the market price of steel has increased steadily.

2. Expenses

Total expenses were Baht 837.99 million increase of Baht 145.82 million from the previous year or 21.07%.

2.1 Cost of goods sold was Baht 805.60 million increased from last year for Baht 150.98 million or 23.06% due to higher average cost of goods sold. The main reason was increasing in the purchasing price of raw materials according to the market price situation. Also, there was a reversal of loss for diminishing value of inventories in the amount of Baht 5.09 million because of the increasing in steel prices according to the steel market situations and the costs of inventories are well controlled by the management.

2.2 Administrative expenses amounted to Baht 19.79 Million, increased by Baht 2.30 Million or 13.12% compared to the previous year. The main reason was the previous year reversal of doubtful debts was 5.02 Million Baht but this period reversal of doubtful debts was 0.53 Million Baht from accepting debt repayment from debtors who had previously set up an allowance for doubtful accounts in the previous accounting period. Therefore, this period's amount is less than the previous amount in the same period. As a result, administrative expenses are increased.



บริษัท ซีเอสพี สตีลเซ็นเตอร์ จำกัด (มหาชน)
CSP STEEL CENTER PUBLIC COMPANY LIMITED

- 2.3 Financial costs Baht 6.28 million decreasing of Baht 1.42 million from last year or 18.44% due to the reduction of short-term loans from financial institutions, which the company has borrowed for purchasing goods and raw materials, including working capital of the company. These are in line with the management policy which try to reduce the inventories and raw material hoarding.

Please be informed accordingly,

Yours faithfully

(Mr. Weerasak Chaisupat)
Managing Director