



No. SAM-008 / 2022

May 17, 2022

Re : The Management's Discussion and Analysis on the Company's Operating Results based on the Financial Statements for the Quarter 1/2022.

The Stock Exchange of Thailand

Samchai Steel Industries, Pcl. ("The company") would like to clarify on the operation

1. The company has revenue from sales of 1,169.43 million baht, an increase of 75.90 million baht from the previous year due to more customers ordering products from the company. Because customers have confidence in the reputation of the company from the fact that the Revenue Department has concluded an investigation about the dispute between the Customs Department and the company that the company did not reexport the same products to third country as shown in the news. At the same time, the cost of sales amounted to 1,084.92 million baht. increased from the previous year by 56.55 million baht or 5.49 percent, fluctuating according to the increase in sales.
2. Cost of sales amounted to 1,084.92 million baht, an increase of 56.55 million baht or 5.49% from the previous year, fluctuating in line with higher sales.
3. As a result of item 2. The Company made gross profit of 90.16 million baht, an increase of 17.11 million baht from the previous year. Selling and administrative expenses amounted to 26.48 million baht, slightly increased from the previous year by 2.75 million baht or 11.58%, which is in line with the company's management policy that wants to reduce expenses and increase revenue for maximum profit.
4. Finance costs amounted to 8.84 million baht, a decrease of 0.42 million baht from the previous year or 4.53% due to a shorter credit line usage cycle.
5. From the above reasons, the company It has operating results with a net profit for the 1st quarter of 2022 in the amount of 49.69 million baht, an increase of 22.21 million baht from the previous year.

Please be informed accordingly,

Yours sincerely,

(Mr. Varoonchai Leekanchanakorn)

Managing Director