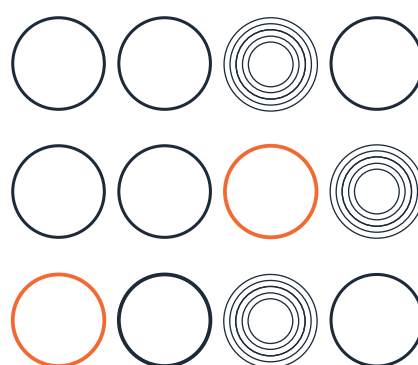
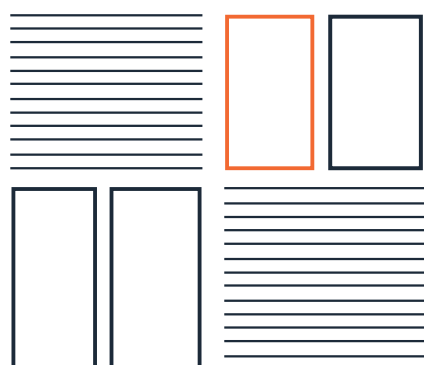
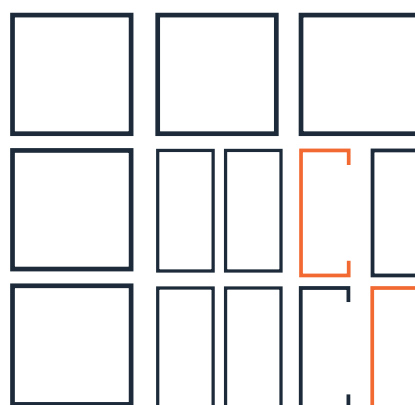


Management Discussion and Analysis Quarter 1/2026

Ending March 31, 2026



Economy and Industry Conditions Affecting Operations

In Quarter 1 of 2026, the global steel industry continued to face pressure from uncertainties in the global economy, geopolitical tensions in the Middle East, which escalated into attacks on energy infrastructure and related manufacturing industries, as well as the blockade of maritime navigation and transportation in the Persian Gulf at the end of the quarter. These factors caused impacts on the supply chain in terms of both prices and quantities from the Middle East entering the global market, creating volatility and uncertainty in energy prices, freight costs, and supply chain costs.

At the same time, the oversupply situation in the steel industry and domestic demand in China, which remained weak, continued to be key factors pressuring price competition in the market during the beginning of the quarter. Although steel prices began to show signs of increasing compared with the previous quarter, the severity of the conflict situation in the Middle East caused an unusually high accumulation of inventory due to concerns over shortages of goods and raw materials, resulting in market product prices increasing rapidly at the end of the quarter.

For the Thai steel industry in Quarter 1 of 2026, finished steel production increased in certain product groups, while domestic consumption remained weak. This reflected that the recovery of overall demand remained uncertain amid competition from imported products and cost volatility. However, the trend for 2026 shows that the Thai steel industry still has supporting factors from investments in government and private sector infrastructure construction projects. The Office of Industrial Economics, Ministry of Industry, expects steel production in 2026 to expand by 1.5 percent and domestic steel consumption to be approximately 18.6 million tons, an increase of 2.2 percent from the previous year.

Key issues that require close monitoring going forward include geopolitical tensions in the Middle East, volatility in energy and raw material prices, the slowdown of the global economy, trade policies of major trading partners such as the United States, and China's steel industry policies. These factors may affect production levels, steel prices, imports, exports, and costs across the overall steel industry supply chain. In addition, Thailand's economic conditions, particularly the direction of investment in infrastructure, real estate, manufacturing, and construction, remain key factors influencing domestic demand for steel products.

The Company's business operations relate to economic conditions at both the national and global levels, particularly factors related to the construction industry, relocation of production bases, public and private sector investment, raw material costs, energy, transportation costs, exchange rates, and the direction of steel demand in the market. Such factors affect product demand, operating costs, inventory management, and the Company's competitiveness.

Thailand economic condition, particularly the direction of investment in infrastructure, real estate, manufacturing industries, and construction, remains an important factor for domestic demand for steel products. Meanwhile, external factors such as volatility in raw material prices, international trade policies, geopolitical tensions, and financial costs remain risk factors that may affect steel raw material prices, imports, exports, and supply chain costs.

To mitigate the impacts from the volatility of external factors, the Company gives importance to efficient inventory management by focusing on stability and sufficiency, together with systematic risk management, in order to assess, monitor, and prepare measures to accommodate factors that may affect business operations, costs, and the supply chain. This includes the development of information systems to support decision-making, increase operational agility, and build stable relationships with customers, business partners, and stakeholders in the supply chain. In addition, the Company aims to elevate work processes through the concept of lean management, together with the application of digital technology in business operations, in order to continuously strengthen adaptability and maintain competitiveness under rapidly changing economic conditions.

Summary of Significant Events and Developments

During the quarter and after the end of the reporting period, the following significant events occurred:

- On 3 April 2026, the Annual General Meeting of Shareholders approved the dividend payment from the operating results of 2025 in the amount of 0.10 Baht per share for 870,758,034 shares, equivalent to 87.08 million Baht. The Company already paid the annual dividend in the amount of 87.08 million Baht to shareholders on 30 April 2026.
- On 3 April 2026, the Annual General Meeting of Shareholders approved the issuance and offering of warrants to purchase ordinary shares to executives and employees of the Company in the amount of 15 million units, with an exercise price of 2.77 Baht per share, and with a project term of 5 years from the date of issuance of the TMT ESOP W-2 warrants. The exercise ratio is 1 warrant unit having the right to purchase 1 ordinary share. The meeting also approved the increase of the registered capital from 870,758,034 shares to 888,758,034 shares by issuing 18,000,000 new ordinary shares with a par value of 1 Baht per share to accommodate the exercise of rights under the TMT ESOP-W2. Of this number, 3,000,000 units were specifically allocated to accommodate possible adjustments of rights that may occur if conditions arise in the future. The Company registered the capital increase with the Ministry of Commerce on 21 April 2026.

Summary of Operating Results

Sales Revenue

In Quarter 1 of 2026, the Company had sales revenue of 4,693.19 million Baht, an increase of 176.67 million Baht, or 3.91 percent from the previous year. This was due to an increase in sales volume of 10.06 percent, resulting from demand for steel used in government construction works and certain infrastructure projects, as well as increased customer orders in order to manage inventory to be sufficient amid volatility in costs and steel product market prices arising from the conflict situation in the Middle East.

However, the average selling price decreased by 5.58 percent from the previous year, reflecting competition and pressure on selling prices in the steel industry. Nevertheless, Sales revenue still increased as a result of the growth in sales volume, although the average selling price decreased in accordance with market conditions.

Selling and Administrative Expenses

The Company had selling expenses of 65.10 million Baht, an increase of 5.17 million Baht, or 8.63 percent from the previous year, in line with the increase in sales volume. The main causes were the increase in transportation costs and fuel costs, which are expenses directly related to sales activities and the delivery of products to customers.

Administrative expenses amounted to 170.07 million Baht, an increase of 15.40 million Baht, or 9.96 percent from the previous year. The main factors were an increase in employee expenses of approximately 8.81 million Baht, foreign exchange loss of 4.13 million Baht, and the remaining amount being office expenses.

In addition, the Company had interest expenses of 22.66 million Baht, a decrease of 13.56 million Baht, or 37.43 percent from the previous year, due to a decrease in interest rates and a decrease in the use of long-term loans from financial institutions.

Profit

In Quarter 1 of 2026, the Company had a Gross Profit margin of 7.74 percent, increasing from 6.74 percent in the same period of the previous year. Although the average selling price decreased by 5.58 percent, the improvement in the gross profit margin was mainly due to the management of average cost of sales in alignment with selling prices and market conditions appropriately, as well as efficient inventory management and operating cost control.

The Company had Net Profit in Quarter 1 of 2026 of 101.51 million Baht, an increase of 70.11 percent from the same period of the previous year, representing a significant increase. The main reasons were the increase in sales volume, the improved Gross Profit margin, and the decrease in Interest expenses.

The Company focus on risk management under volatile market conditions, including maintaining sales volume, cost management, expense control, and financial structure management. The Company also continues to give importance to building confidence among customers through products and services that respond to requirements in terms of quality, variety, sufficient quantity, and on-time delivery.

Summary Table of Key Financial Performance

Operating Results	1Q/2025	4Q/2025	1Q/2026	Change from Previous Year YoY (%)	Change from Previous Quarter QoQ (%)
Sales revenue (MB)	4,516.52	4,351.22	4,693.19	3.91%	7.86%
Gross profit margin (%)	6.74%	5.46%	7.74%	0.99%	2.28%
Selling expenses (MB)	59.93	58.83	65.10	8.63%	10.66%
Administrative expenses (MB)	154.67	170.12	170.07	9.96%	-0.03%
Interest expenses (MB)	36.22	27.97	22.66	-37.43%	-18.99%
Net profit (MB)	59.68	-2.94	101.51	70.11%	3,547.42%

Summary of Financial Position

As of 31 March 2026, the Company had total assets of 8,606.14 million Baht, an increase of 4.47 percent from the end of 2025, which had total assets of 8,238.21 million Baht. The increase was mainly due to the increase in current assets, particularly trade receivables and inventories, which was consistent with the expansion of business activities during Quarter 1 of 2026.

The Company had total liabilities of 5,308.89 million Baht, an increase from 5,042.48 million Baht as of the end of 2025. This was mainly due to the increase in short-term borrowings, which the Company used to support working capital and accommodate the increased volume of product purchases in line with sales volume.

Meanwhile, Shareholders' equity increased to 3,297.25 million Baht from 3,195.74 million Baht as of the end of 2025, an increase of 3.18 percent, due to the Company's improved operating results.

Quality of Assets and Receivables

Asset Structure and Inventory Quality

As of 31 March 2026, the Company had non-current assets of 3,435.18 million Baht, representing 39.92 percent of total assets, slightly decreasing from 3,483.69 million Baht, or 42.29 percent of total assets, as of the end of 2025. The decrease was mainly due to depreciation and amortization during the quarter in the amount of 81.35 million Baht, which was higher than the investment in new property, plant and equipment in the amount of 23.06 million Baht.

Regarding inventory quality, the Company reversed the allowance for the decline in the net realizable value (NRV) of inventories in the amount of 10.73 million Baht, as the net realizable value of inventories increased. This reflected the improved quality of assets in the inventory group.

Quality of Trade Receivables and Debt Collection Management

As of the end of Quarter 1 of 2026, the Company had net trade and other current receivables of 2,913.92 million Baht, increasing from 2,751.35 million Baht as of the end of 2025. The main reason was the increase in trade receivables arising from sales during the end of the quarter, which was consistent with the increase in sales volume and sales revenue.

The structure of trade receivables classified by aging showed that trade receivables not yet due increased to 2,320.74 million Baht from 1,999.37 million Baht as of the end of 2025. Most of the increased receivables were in the group still under the normal trade credit period and not yet due. At the same time, overall overdue trade receivables showed a decreasing trend, particularly trade receivables overdue for 6–12 months, which decreased to 11.14 million Baht from 54.23 million Baht as of the end of 2025. This was a result of the continuous efficiency in monitoring, accelerating collection, and continuously managing high-risk debtors.

The Company's average collection period was 58 days, increasing from 55 days as of the end of 2025 and from the same period of the previous year. This was due to the acceleration of sales during the end of Quarter 1 of 2026 and the request for extension of payment periods by certain customers due to the economic slowdown. The majority of such debts were debts with collateral for repayment risk, and the allowance for expected credit losses had already been fully set.

The Company had an allowance for expected credit losses of 72.90 million Baht, increasing from 68.52 million Baht as of the end of 2025. This remained at an appropriate and sufficient level to accommodate the credit risk of trade receivables and was in accordance with the prudent approach to receivables quality management, together with close monitoring of customers' payment status.

Debt Obligations and Debt Repayment Ability

As of 31 March 2026, the Company had a Debt-to-Equity ratio (D/E Ratio) of 1.61 times, increasing from 1.58 times as of the end of 2025, due to the Company's increased use of working capital from the increase in sales volume and product prices from the end of 2025.

The Interest Coverage Ratio improved compared with the same period of the previous year, due to the decrease in interest expenses from 36.22 million Baht in Quarter 1 of 2025 to 22.66 million Baht in Quarter 1 of 2026, or a decrease of 37.44 percent. Meanwhile, Gross Profit from operations increased, resulting in the Company's ability to bear interest obligations improving from last year.

Remark: The analysis of the Company's operating results and financial position was prepared by reference to information from the consolidated financial statements for Quarter 1 of 2026 for the accounting period ended 31 March 2026.

Factors That May Affect Operations or Future Growth

Risk Issue	Impact on Business	Risk Management Approach
Changing customer needs	May affect the ability to maintain the customer base, sales volume, and the development of products/services to meet market needs.	Develop products and services that add value to customers, together with continuously developing the Digital Platform to enhance experience and respond to customer needs efficiently.
Government policies and related standards	May affect costs, regulatory compliance, information disclosure, and future business operations.	Continuously monitor government measures, product standards, regulations relating to safety, environment, finance, and tax, including the preparation of Carbon Footprint Organization / Product and readiness for sustainability disclosure standards such as IFRS S1 and IFRS S2.
Changing business environment, such as competition, costs, technology, and resources	May affect selling prices, profit margins, competitiveness, and continuity of raw materials.	Strengthening business potential through cost management, inventory management, sourcing additional raw material sources and substitute products, management of relationships with business partners, including adjustment of sales and service strategies in line with market conditions.
Innovation, technology, and personnel capability	May affect adaptability, operational efficiency, and long-term growth.	Drive Digital Transformation, including applying modern technology and machinery to support operations, together with developing employees' skills in Innovation and Digital to support future growth.
Emerging Risks, including geopolitical conflicts, particularly the war in the Middle East, and Mega Trends that may occur	May affect the supply chain, energy costs, transportation, market demand, and business operation approaches in the medium to long term.	Continuously monitor and analyze global change trends, geopolitical situations, government policies, related standards, and customer behavior to prepare response plans for both the short term and long term and adjust strategies in line with the changing business environment.

Environmental, Social, and Governance (ESG) Operations

- **Environmental:** The Company manages environmental impacts under the ISO 14001:2015 system and sets a target to reduce Scope 1 and Scope 2 greenhouse gas emissions by 20 percent from the base year 2022 by 2030, including a long-term target by 2050 to align with Thailand's Net Zero target. The Company focuses on increasing operational efficiency, controlling energy costs, and using renewable energy through a 6.3 megawatt Solar Rooftop, which helps save approximately 6.32 million Baht in electricity costs and reduces carbon dioxide emissions by approximately 938 tons of carbon dioxide equivalent, or equivalent to 0.0032 tons of carbon dioxide per ton of production, a decrease of 8.57 percent from the same period of the previous year. In addition, the Company continues to implement energy conservation projects, water management, and efficient use of resources, including investment to expand electricity generation capacity from Solar Rooftop by an additional 3.38 megawatts during the second half of this year.
- **Social and Community:** The Company aims to create shared value with stakeholders throughout the supply chain through activities that create engagement with communities, including continuously accepting interns, cooperative education students, and dual vocational education students. As a result, the Company received the first-place award for a large-sized establishment that implements cooperative education and work-integrated education with quality from King Mongkut's University of Technology North Bangkok. This reflects the commitment to developing human resources together with educational institutions. In addition, the Company gives importance to developing the potential of employees at all levels and promoting an innovation culture within the organization, with average training hours of 5.32 hours per person during the first quarter.
- **Corporate Governance:** The Company adheres to conducting business in accordance with the principles of good corporate governance, business ethics, transparency, and accountability, while also supervising subsidiaries to conduct business in accordance with such principles. After the end of the quarter, the Company held the Annual General Meeting of Shareholders on 3 April 2026 in the form of an E-AGM, with support for proxy appointment through the E-Proxy system to facilitate shareholders' ability to attend the meeting remotely from any location, increasing opportunities for shareholders to participate in exercising voting rights thoroughly and efficiently.

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