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70 หมู่ 2 ค.ช้างใหญ่ อ.บางไทร จ.พระนครศรีอยุธยา ประเทศไทย 13290
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(Translation)

Ref. No. MCS 012/2026
August 10,2026

Subject : Management Discussion and Analysis Quarter 2 of 2026 Ending 30 June 2026

To : Director and Manager
The Stock Exchange of Thailand

M.C.S. Steel Public Company Limited would like to clarify the operating result for the consolidate financial statements of company and subsidiary of Quarter 2 of 2026 periods ended 30 June 2026 that were reviewed by the Independent Auditor , details are as followings ;

1. In Q2/2026, the consolidated operating results attributable to the parent company and its subsidiaries showed a net profit of Baht 153.72 million, a decrease of Baht 86.80 million, or a decline of 36.09% compared with Q2/2025. In the separate financial statements of the Company, net profit amounted to Baht 159.00 million, a decrease of Baht 62.08 million, or 28.08% compared with Q2/2025. The figures translated into Japanese yen are presented in detail below.

Unit : Million Yen

Details	Quarter 2/2026	Quarter 2/2025	Increase (decrease)	%
Profit attributable to the parent company	736.47	1,043.62	(307.15)	(29.43)

The operation of subsidiary companies were as ;

- 1) M.C.S. Steel Xiamen Co., Ltd. 's loss was 0.90 million Yuan (CNY)
- 2) M.C.S.- Japan Co., Ltd. 's profit was 41.62 million Yen (JPY).
- 3) Tanaka Welding Center Co., Ltd. reported a net loss of Baht 0.01 million.

However , the company took the profit by the percentage of share holding in subsidiary companies so the company's Profit in the owners was 153.72 Million Baht.

2. In Q2/2026, the Company reported gross profit of Baht 415.81 million, a decrease of Baht 54.53 million or 11.59% compared with the prior year. The amounts translated into Japanese yen are shown in detail below.

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Unit : Million Yen

Details	Quarter 2/2026	Quarter 2/2025	Increase (decrease)	%
Gross profit	2,007.02	2,047.70	(40.69)	-1.99

3. In Q2/2026, the Company reported revenue from sales and management services, including contract revenue (domestic projects), of Baht 1,200.83 million, a decrease of Baht 126.04 million or 9.50% compared with the prior year. The amounts translated into Japanese yen are shown in detail below.

Unit : Million Yen

Details	Q2/2026	Q2/2025	Million JPY	
			Increase (Decrease)	%
Revenue from sale of goods and rendering of services	5,694.50	5,791.23	(96.73)	(1.67)
Contract revenue	176.93	-	176.93	100.00
Total	5,871.43	5,791.23	80.20	1.38

Management Discussion and Analysis of previous year (Consolidated Financial)

- In Q2/2026, the Company and its subsidiaries recognized total billable volume of 14,724 tonnes, a decrease of 789 tonnes or 5.09% compared with Q2/2025 as including ;
 - 1.1 MCS THAI 10,609 Ton
 - 1.2 Domestic work 351 Ton
 - 1.3 MCS XIAMEN 2,659 Ton
 - 1.4 MCS JAPAN 1,105 Ton
- In Q2/2026, revenue from sales and services, including contract revenue, amounted to Baht 1,200.83 million, a decrease of Baht 126.04 million or 9.50% from Q2/2025, due to lower delivery volumes.
- In Q2/2026, cost of sales and services, including contract costs, amounted to Baht 785.03 million, a decrease of Baht 71.51 million or 8.35% from Q2/2025, due to lower delivery volumes.

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4. The decrease in delivery volumes caused the gross profit of the Company and its subsidiaries to decline by 11.59% from Q2/2025, as detailed in the table.

Details	Q2/2026	Q2/2025	Million JPY	
			Increase (Decrease)	%
Revenue from sale of goods and rendering of services	1,164.65	1,326.88	(162.23)	(12.23)
Contract revenue	36.19	-	36.19	
Total	1,200.83	1,326.88	(126.04)	(9.50)
Cost of sale of goods				
Cost of sale of goods and rendering of services	773.45	856.54	(83.09)	(9.70)
Contract costs	11.58	-	11.58	-
Total	785.03	856.54	(71.51)	(8.35)
Gross Profit	415.81	470.34	(54.53)	(11.59)
Gross Profit (%)	34.63	35.45		

5. In Q2/2026, distribution costs increased by Baht 8.63 million, or 6.40%, compared with Q2/2025.
6. In Q2/2026, administrative expenses increased by Baht 3.57 million, or 4.22%, compared with Q2/2025.
7. The average exchange rate used to calculate revenue and expenses in Q2/2026 was Baht 20.4521 per 100 JPY, a decrease of 10.74% from Q2/2025.

Based on the above details, the Company's profit for Q2/2026 was Baht 153.72 million decreased by Baht 86.80 million, or 36.09%, compared with Q2/2025.

Yours Sincerely

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(Dr.Naiyuan Chi)
Chairman of Board Director

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