

70 Moo 2 Changyai, Bangsai, Ayutthaya Thailand 13290
Tel : (66) 035-372961-6 Fax : (66) 035-372967-8
E-mail Address : info@mcssteel.co.th www.mcssteel.com

70 หมู่ 2 ด.ช้างใหญ่ อ.บางไทร จ.พระนครศรีอยุธยา ประเทศไทย 13290
โทรศัพท์ : (66) 035-372961-6 โทรสาร : (66) 035-372967-8
E-mail Address : info@mcssteel.co.th www.mcssteel.com

(Translation)

Ref. No. MCS 020/2019
November 8,2019

Subject : Management Discussion and Analysis of Q3/2019

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 consolidated financial statements of company and subsidiary of Quarter 3/2019 periods ended 30 September 2019 that reviewed by the Independent Auditor , details are as followings ;

1. In Q3/2019, the company's Profit was 200.82 Million Baht , a increase of 153.28 Million Baht or 322.49% from same period of last year. (The profit in the separate financial statements was 197.09 Million Baht).
2. In Q3/2019, the company's gross profit in the separate financial statements was 342.24 Million Baht , a increase of 153.81 Million Baht or 81.63% from same period of last year. If included the gross profit from subsidiary companies it will be 366.43 Million Baht ,a increase of 146.83 Million Baht from same period of last year.
3. In Q3/2019, the company's sale revenue was 951.43 Million Baht, a decrease of 66.97 Million Baht or 6.58% from same period of last year which was the sale revenue in the separate financial statements of 924.93 Million Baht ,a decrease of 22.62 Million Baht or 2.39%.

Management Discussion and Analysis of Q3/2019

- 1) In Q3/2019, the company's Profit in the separate financial statements was 197.09 Million Baht which recognized income by 13,602 tons that included
 - Aboard project was around 11,600 tons.(included produced from MCS Xiamen) and other income from domestic project.

If included the sale revenue from subsidiary companies, it will be 951.43 Million Baht ,a decrease of 66.97 Million Baht.

- 2) In Q3/2019, Cost for sales of goods from MCS (Thai) decreased by 176.73 Million Baht from same period of last year due this quarter the company can decrease and control the cost.

And if included the subsidiary companies ,cost for sales of goods was 585 Million Baht ,a decrease of 213.80 Million Baht.

- 3) In Q3/2019, the Selling expenses decreased by 4.56 Million Baht.



M.C.S. STEEL PUBLIC COMPANY LIMITED

ทะเบียนเลขที่ 0107548000048

70 Moo 2 Changyai, Bangsai, Ayutthaya Thailand 13290
Tel : (66) 035-372961-6 Fax : (66) 035-372967-8
E-mail Address : info@mcssteel.co.th www.mcssteel.com

70 หมู่ 2 ต.ช้างใหญ่ อ.บางไทร จ.พระนครศรีอยุธยา ประเทศไทย 13290
โทรศัพท์ : (66) 035-372961-6 โทรสาร : (66) 035-372967-8
E-mail Address : info@mcssteel.co.th www.mcssteel.com

- 4) At 30 September 2019, Inventories was 1,600.27 Million Baht , a increased by 485.85 Million Baht from 31 December 2018 which was the raw materials for produce after Q3/2019 and work in process that was waiting to delivery after Q3/2019.
- 5) At 30 September 2019, Property, plant and equipment was 1,315.22 Million Baht ,a decreased by 42.06 Million Baht from 31 December 2018 due to the depreciation of this quarter.
- 6) In Q3/2019, Finance costs decreased by 1.56 Million Baht.

As stated as above No.1 - 3 , In Q3/2019, the. company's profit in Consolidated financial statements was 200.82 Million Baht.

Yours Sincerely

.....
(Dr.Naiyuan Chi)
Chief Executive Officer