



TSTH 023/2021 RM/SS/SJ

April 20, 2021

To: President
The Stock Exchange of Thailand

Subject: Report of the Company's Operating Results for the fourth quarter of FY2021 (January-March 2021)

Tata Steel (Thailand) Public company Limited ("Company") would like to report the company's operating results for the fourth quarter of FY2021 (January-March 2021) as under:

1. Operating Results

Low system inventory, rising freight rates and spurt in raw material price around the world has led to increased buying by the Customers. Strong domestic demand in China resulting in their buying of billets and lower exports has been another supporting factor for the Steel industry. All these have impacted steel price which has been seeing a rising trend since last 4 months. Steel and raw material prices are at nearly 10 years high. The same is reflected in the Thailand market too.

The recent surge in new COVID-19 cases are adding to the economic uncertainty and affecting market sentiments in Thailand. International travel restrictions, trade and supply chain disruptions may continue to impact the economy, particularly through reduced tourism.

In this economic backdrop, the deliveries for the current quarter at 366 K Tons was higher than the previous quarter mainly from higher domestic rebar sales. The revenue from sales was higher than previous quarter supported by higher selling price in line with increase in metallic price as well as improved sales volume.

Total inventory at end of March 2021 was higher by 944 Mn THB as compared to end of March 2020 from finished goods to support market demand during the planned plant shut-downs in April 2021. In number of days term, it was at par at 43 days with last year.

Operating Results compared with previous quarter & previous year

1.1 Revenue from sales and related services

Sales volume in the current quarter at 366 K Tons, was higher by 12% and 15% as compared to the previous quarter and the same quarter previous year respectively from better domestic demand in rebars, medium carbon wire rods and high carbon wire rods. For the 12-months period ended March 31, 2021, the Company's sales volume at 1,303 K Tons was higher by 9% in the same period previous year primarily due to improvement in domestic demand, however partly offset by lower exports sales.

Revenue from sales and related services in the current quarter was at 7,126 Mn THB, higher by 32% and 39% as compared to previous quarter and the same quarter previous year due to price improvement from the recovery of world economy, in line with increase in raw material price. During the 12-months period ended March 31, 2021, the revenue from sales and related services at 22,017 Mn THB was higher by 9% over the previous year, reflecting improvement in domestic demand.

TATA STEEL (THAILAND)

บริษัท ทاتا สตีล (ประเทศไทย) จำกัด (มหาชน) Tata Steel (Thailand) Public Company Limited



1.2 Profit (Loss) Before Tax

The Company reported a profit before tax of 417 Mn THB in the current quarter against a profit of 131 Mn THB for the same quarter previous year. The profit before tax in the previous quarter was 53 Mn THB. On YTD basis, the Company has reported a profit of 688 Mn THB, against a profit of 111 Mn THB for the same period previous year. Better performance in the current period is attributable to higher selling price in line with increase in raw material price and higher sales volume, lower graphite electrode and natural gas price as compared to last year. The operating performance this period also included loss from allowance for decrease in value of idle assets held-for-sale 117 Mn THB.

2. Statement of Financial Position

2.1 Assets

As on March 31, 2021, **the total assets** have increased by 2,137 Mn THB over March 31, 2020 mainly from:

- Increase in inventories 944 Mn THB mainly on account of finished goods inventory to support the market demand during the planned shut down in April 2021.
- Right-of-use assets 670 MB due to adoption of new financial reporting standard on lease (TFRS16).
- Increase in trade and other receivables 479 Mn THB from higher sales in March 2021.
- Increase in cash and cash equivalents by 374 Mn THB.
- Financial assets measured at fair value through other comprehensive income 207 Mn THB due to adoption of new financial reporting standard (TFRS9).
- Reduction in properties, plant and equipment (328) Mn THB reflecting normal depreciation.
- Reduction in idle assets held-for-sales (117) Mn THB reflecting allowance for decrease in value.

2.2 Liabilities and Shareholders' Equity

As on March 31, 2021, **the total liabilities & shareholder equity** have increased by 2,137 Mn THB over March 31, 2020 mainly from:

- Increase in shareholders' equity by 822 Mn THB from the current year net profit of 632 Mn THB, effect of adjustment from changes in accounting policy due to adoption of new financial reporting standard 117 Mn THB, re-measurements of post-employment benefit obligation 30 Mn THB, changes in fair value of equity investments 60 Mn THB and income tax related (17) Mn THB.
- Increase in trade and other payables by 708 Mn THB mainly from imported metallic parcels and accrual on electricity on account of on-peak operation, payable in April 2021.
- Increase in lease liabilities by 617 Mn THB due to adoption of new financial reporting standard (TFRS16).
- Reduction in short term working capital borrowings by (20) Mn THB.

Please be informed accordingly.

Sincerely yours,
Tata Steel (Thailand) Public Company Limited

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(Mr. Rajiv Mangal)
President and CEO

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