

THE 22nd ANNUAL GENERAL MEETING OF SHAREHOLDERS

Questions to the Company

during June 19 – July 14, 2023

Question 1

The Company has reported higher exports this year. Which are the countries the Company exports to? What is your export strategy going forward?

Answer 1

We have exported to neighboring countries like Cambodia, Lao, Bangladesh, Malaysia and to India over the years. Specifically during Fy23, we exported to Canada, India, Indonesia, Vietnam and Malaysia. We are happy to inform that the Company has received the ACRS license, which will enable to export to Australia and New Zealand. The Company is in the process of obtaining UK-CARES license which will enable the Company to export to the Europe Union.

Exports enables the Company to prepare for being internationally competitive, especially with special grades and sizes. In addition, of course, export enables the Company to partially mitigate any fluctuation in the domestic market. Moreover, there is a growing concern about sustainability and global warming issues in many advance economies. The low CO₂ emission materials will be preferred in many international markets, especially European Union. Tata Steel Thailand produces steel from scrap using Electric Arc Furnace. This has a considerably lower carbon footprint in comparison to products produced from Iron ore using Blast furnace.

Question 2

Does the Company have any plans for setting up induction furnace facilities?

Answer 2

Average capacity utilization of steel manufacturers in Thailand is below 40%. Against this, Tata Steel Thailand operates in the range 70-75% of the rolling capacity due to better operating efficiencies and good acceptance of products by our Customers. Therefore, the priority of the Company is to maximize utilization of the existing rolling capacity of 1.7 MTPA before any further capacity addition. In addition, the Company continues to explore opportunities to increase value added products.

Question 3

What is the Company's share of business in the high-speed rail project? Which products are being supplied by the Company in this project?

Answer 3

Tata Steel Thailand is a major supplier of GB grade rebars for the THAI-CHINESE High speed train project for the section from Bangkok to Nakhorn Ratchasima.

Question 4

Currently, what proportion of power requirement is served from solar energy? What is the Company's plan on renewable energy?

Answer 4

The company had installed 1.4 MWp solar energy on factory rooftop at the SCSC Plant in Rayong 3 years ago. Another 11.48 MWp solar power project is expected to get completed during the current year in all the 3 plants. This would account for around 2% of the total energy requirements of the company.

Question 5

Is the competition from China and other neighboring countries more intense now? What is the strategy to handle these challenges?

Answer 5

Yes, China is a major exporter of steel to Southeast Asia. Specifically with respect to products made by Tata Steel Thailand, China is a major exporter of wire rods to Thailand about 300kt – 400kt/year or 1 million ton in last 3 years

Tata Steel Thailand provides reliable products and services to ensure that customers get good quality products at the right time without having to maintain high inventory and not having to take the risks of exchange rate volatility. Parallely, our technical team regularly work with customers to develop customized products to match with customer's requirements. In addition, we continue to develop new products in conjunction with customers.

Question 6

Company has reported capital expenditure of 283 mn Baht during the year. What are the major investments and how that will benefit the Company?

Answer 6

The entire capital expenditure mentioned was made towards improving reliability of the equipment and facilities at the three Plants –, NTS at Chonburi, SISCO at Saraburi. SCSC at Rayong.

At NTS, the investments were done in Steel making facilities to improve the reliability by upgrading old equipment like EAF Transformers and also investments in rolling mills for improving Wire Rod product quality.

At SISCO, the investments were done in Steel making facilities to improve the reliability by upgrading old equipment like SVC controller and also investments in rolling mills for improving the automation system

At SCSC, the investments were done in Steel making facilities to improve the reliability by upgrading old equipment like Fume plant cooler at SCSC. This will help in improving the plant reliability and improving the environment by avoiding dust emission.