



บริษัท ไทยสตีลเคเบิล จำกัด (มหาชน)
Thai Steel Cable Public Company Limited

Management Discussion and Analysis
Thai Steel Cable Public Company Limited
For Year 2017

Financial Position

Unit : Million Baht	2015 At Sep 30, 2015	2016 At Sep 30, 2016	2017 At Sep 30, 2017
Current Asset	1,377.64	1,440.46	1,565.15
Total Assets	2,790.53	2,750.99	2,782.16
Current Liabilities	1,074.22	931.59	981.32
Total Liabilities	1,140.54	1,112.39	1,097.45
Total Equity	1,649.99	1,638.60	1,684.71

Ratio	2015 (Oct 1, 2014 - Sep 30, 2015)	2016 (Oct 1, 2015 - Sep 30, 2016)	2017 (Oct 1, 2016 - Sep 30, 2017)
Gross Profit Ratio	17.92%	17.35%	17.93%
ROE	8.75%	8.37%	10.45%
Current Ratio	1.28	1.55	1.59
Debt/Equity Ratio	0.69	0.68	0.65

The gross profit margin of 2017 is higher than that of 2016 due to the effective cost control.

Return on Equity (ROE) of 2017 was higher than that of 2016 due to the increase in net profit compared to the same period of last year.

The Current Ratio of 2017 increased over 2016 due to the increase in trade accounts receivable in proportion to the increase in sales.

Debt / Equity Ratio in 2017 was lower than the previous year as the Company repaid long-term loans to commercial banks.



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Performance

Unit: Million Baht	2015 (Oct 1, 2014 - Sep 30, 2015)	% on sale	2016 (Oct 1, 2015 - Sep 30, 2016)	% on sale	2017 (Oct 1, 2016 - Sep 30, 2017)	% on sale
Revenue from sales	2,828.12	100.00%	2,724.17	100.00%	2,905.68	100.00%
Other Income	37.40	1.32%	32.57	1.20%	33.22	1.14%
Cost of goods sold	-2,321.21	-82.08%	-2,251.53	-82.65%	-2,384.78	-82.07%
Selling & Administrative expenses	-382.51	-13.53%	-343.31	-12.60%	-350.38	-12.06%
Finance cost	-16.00	-0.57%	-16.80	-0.62%	-15.31	-0.53%
Income tax	-1.36	-0.05%	-7.90	-0.29%	-12.43	-0.43%
Net Profit	144.44	5.11%	137.20	5.04%	176.00	6.06%
Gain (loss) on change estimate the actuarial	0.00	0.00%	-5.69	-0.21%	0.00	0.00%
Total comprehensive income	144.44	5.11%	131.51	4.83%	176.00	6.06%

The year 2017 is another challenging year but the Company was able to increase its sales revenue by 6.66% and net profit up 28.28%. This was mainly contributed by the expansion of its customer base, the launching of new products to support new models of key customers, and also the effective control over production costs and operating costs.

The sales revenue in 2017 was 2,905.68 million Baht, an increase of 181.51 million Baht or 6.66% from the same period of last year. The Company was able to increase sales revenue continuously, whilst the domestic automotive industry has been gradually recovered. The cost of sales increased 133.25 million Baht or 5.92%, selling and administrative expenses increased 7.07 million Baht or 2.06% comparing to the same period of last year.

In year 2017, the Company invested in research and development on technology and innovation totally 10.58 million Baht in order to increase the production capacity and improve the product quality continuously.

Total comprehensive income for year 2017 was 176.00 million Baht, an increase of 44.49 million Baht or 33.83% over that of the year 2016 mainly due to the rise of sales, productivity improvement, and also the effective cost control. However, in 2016, there was a deficit of 5.69 million Baht resulting to the change of estimation of employee benefit according to the actuarial valuation standard under TAS19.

The growth of Thai economy in 2017 was not much higher than last year. This was due to several factors, both domestic and global, that caused economic activity to slow down. Private sector consumption is likely to expand gradually. While the government's stimulus package is still a key factor to support the recovery of domestic consumption, the overall industrial sectors and also the automotive industry.