



บริษัท ไทยแลนด์ไอออนเวิร์กส์ จำกัด (มหาชน)  
THAILAND IRON WORKS PUBLIC COMPANY LIMITED

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Subject Management Discussion and Analysis

Attention to Managing Director  
The Stock Exchange of Thailand

Attachment Finance Statement for 3 months and 6 months ended 30 September 2017  
(Reviewed) – 1 copy in Thai and 1 copy in English

Thailand Iron Works Public Company Limited would like to submit the Third quarter Financial Statement for the year ended 30 September 2017, of which had been reviewed by the external auditor of the company, to The Stock Exchange of Thailand (SET) for your acknowledgement.

The Management Discussion and Analysis is made in comparison of the Statement of Financial Position and the Statement of Comprehensive Income between the period which was ended 30 September 2017 and ended on 30 September 2016.

**The Management Discussion and Analysis**

**Statement of Financial Position of the third quarter ended 30 September 2017 and ended 30 September 2016**

Summarized of the achievement (Unit : Baht)	30 Sep 2017	30 Sep 2016
Revenue from sales	115,713,958.00	50,223,724.00
Revenue from services	5,767,680.00	1,698,517.00
Total revenues from sales and services	121,481,638.00	51,922,241.00
Costs of sales	93,669,965.00	53,978,415.00
Costs of services	2,802,196.00	1,306,693.00
Gross Profit (Loss)	25,009,477.00	(3,362,867.00)
Other income	1,054,502.00	1,934,278.00
Selling expenses	2,047,146.00	2,665,125.00
Administrative expenses	5,258,298.00	5,876,458.00
Management benefit expenses	2,885,347.00	3,175,291.00
(Loss) Profit before income tax expense	15,372,603.00	(13,145,463.00)
Income Tax	-	-
(Loss) profit for the year	15,372,603.00	(13,145,463.00)
Actuarial gain (losses)	-	-
Total comprehensive (expense) income for the year	(15,372,603.00)	(13,145,463.00)
Basic (Loss) Earnings per share	2.56	(2.19)

## **1. Total Revenues**

Total revenues from sales and services for the Financial Statement of the 6 months ended 30 September 2017 were Baht 255 million which was increased by Baht 92 million from the year ended 30 September 2016. Increasing revenues in six months of the year ended 30 September 2017 as a consequence of adding more selling channels and a decreasing number of import products from China due to Anti-dumping policy, therefore the company can sell products in higher price.

## **2. Cost**

Cost of sales for the 6 months ended 30 September 2017 was Baht 176.52 million which was 72.07% and that of 2016 was Baht 163.03 million which was 105.18%. Cost of sales from that of last year was decreased 33.11%, resulting from controlling of cost and raw material for production.

## **3. Other income**

Other income amounting to Baht 2.35 million which was decreased by Baht 1.90 million from last year due to deposit amount and reduction of interest rate.

## **4. Selling and administrative expenses**

Selling and administrative expenses were Baht 18.30 million, which has decreased by Baht 1.34 million from last year, as a consequence of salary expense reduced by Baht 2.0 million and transportation expenses decreased by Baht 1.74 million.

## **Statement of Financial Position**

### **Assets**

Total assets as at 30 September 2017 was Baht 884 million, decreased 7 million Baht or decreased of 0.79% from the same period of last year.

1. Current assets is composed of 71% of total assets, increased 2% from the same period of last year. The details of current assets as follows:

- Cash and cash equivalents is composed of 6% of total assets, decreased 56% from the same period of last year due to increasing credit term for customers. Trade and account receivable is composed of 8% of total assets, increased 79% from the same period of last year due to the expanding of sale and gaining market share.

- Temporary investment is composed of 9% of total assets, decreased 35% from the same period of last year due to the increasing of purchasing raw material and the expanding of sale.

- Inventory is composed of 47% of total assets, increased 28% from the same period of last year due to the increasing of purchasing raw material.

2. Non-current assets is composed of 29% of total assets, decreased 3% from the same period of last year. The details of non-current assets as follows:

- Restricted deposit at financial institutions is composed of 5% of total assets, using for back up loans from financial institutions.

- Property, plant and equipment is composed of 22% of total assets, decreased 4% from the same period of last year mainly due to the depreciation.

## Liabilities

Total liability as at 30 September 2017 was Baht 71 million, decreased 38 million Baht or 35% from the same period of last year. Composed of 8% of total liabilities and shareholders' equity.

1. Current liability is composed of 6% of total liabilities and shareholders' equity, decreased 43% from the same period of last year. The details of current liability as follows:

- Short-term borrowing from a financial institution is composed of 4% of total liabilities and shareholders' equity, decreased 40% from the same period of last year due to the decreasing of trust receipt from financial institutions which is using for purchasing raw material from oversea.

- Trade and other payables amounting to Baht 11 million is composed of 1% of total liabilities and shareholders' equity decreased 49% from the same period of last year due to the increasing payment to suppliers.

2. Non-current liability is composed of 2% of total liabilities and shareholders' equity, decreased 3% from the same period of last year, due to the decrease of employee benefit obligation.

## Shareholders' equity

Shareholders' equity of company in 30 September 2017 had Baht 813.32 million as 92%. Increase from last year Baht 45.17 million or 10% because by Net profit Baht 51.17 million and Dividend payment Baht 6 million.

## Executive Summary

The company has better performance, compared to the same period of last year. Although, overall purchasing power will be reduced by the cheaper price of agricultural products such as rice, rubber and cassava. However, the steel price of world market is rising and the main product of the company had investigated anti-dumping duties by Ministry of Commerce. The company also has continually controlled cost of goods sold and other expense. Therefore, the company has noticeable positive performance.

Overall, it is expected that the company will achieve better performance.

Please kindly acknowledge.

Your Sincerely,



(Mr. Prasit Kanchanasakdichai)  
Chief Executive Officer