

CTW005/2022

February 25, 2022

Subject : Management Discussion and Analysis for 2021's operating results

To : President
The Stock Exchange of Thailand

Charoong Thai Wire and Cable Plc.(CTW) would like to clarify the Company and its subsidiaries' 2021 operating results based on the consolidated financial statements for the year ended 31 December 2021 as follows:

(Unit : Million Baht)

Operating Results	Period of the Year		
	2021	2020	% Change
Total revenues	6,404.91	4,685.83	36.69
Profit (loss) attributable to equity holders of CTW	(403.77)	298.72	(235.17)
Basic earnings per share (Baht/Share)	(1.01)	0.75	

Profit (loss)

Loss was THB 403.77 million in 2021, decreasing by THB 702.49 million or 235.17% from profit of THB 298.72 million in 2020 caused from the following main reasons:

Revenue from Sales

Revenue from sales of THB 6,388.11 million in 2021 increased by THB 1,720.35 million or 36.86% from THB 4,667.75 million in 2020. In 2021, the Company and its subsidiaries had revenue from local customers of THB 5,463.28 million and from overseas customers of THB 924.83 million.

Other Income

Other Income of THB 16.81 million decreased by THB 1.27 million or 7.01% from THB 18.08 million in 2020 since there was gain on exchange of THB 4.04 million in 2020.

Finance Income

Finance Income of THB 2.49 million decreased by THB 22.78 million or 90.13% from THB 25.27 million in 2020 since a subsidiary company received interest income from its long outstanding receivables amounting to THB 19.91 million in 2020.

Expenses

Total expenses of THB 6,900.30 million in 2021 increased by THB 2,557.26 million or 58.88% from THB 4,343.03 million in 2020, details were summarized as follows.

1. Cost of Sales

Total cost of sales of THB 6,439.71 million in 2021, representing 100.81% of sales, increased by THB 2,453.86 million or 61.56%, when compared with THB 3,985.86 million in 2020, representing 85.39% of sales. In 2021, there was the allowance for diminution in value of inventory of THB 454.55 million, which was included in cost of sales, due to large fluctuations in main raw material (copper) price. Then, the Company has estimated the allowance for loss on onerous contracts for all remaining inventories of long-term projects.

2. Administrative expenses

Administrative expenses of THB 278.50 million increased by THB 34.69 million or 14.23% from THB 243.80 million in 2020, due to increase in the loss on exchange of THB 76.89 million.

3. Other expenses

In 2021, there was the allowance loss on onerous contracts of THB 93.55 million. And there was the allowance for loss on impairment of building machine and equipment of THB 16.90 million increased by THB 20.54 million or 563.90% from THB 3.64 million in 2020, due to the sale of unused machinery.

4. Finance Cost

Finance cost of THB 14.98 million increased by THB 6.39 million or 74.42% from THB 8.59 million in 2020, due to increase in the interest expenses of trust receipts.

5. Income tax

Income tax of THB 86.89 million in 2021 consisted of the corporate income tax of THB 27.19 million and relating to origination and reversal of temporary differences of THB 114.08 million.

The separate financial statements for the year 2021, the Company had loss of Baht 483.88 million, profit decreased by Baht 768.69 million or 269.90%, when compared with the profit of Baht 284.81 million in 2020.

Please be informed accordingly.

Sincerely yours,

--- Mr. Sun Tao-Heng ---

(Mr. Sun Tao-Heng)
Managing Director