

CTW008/2023

February 21, 2023

Subject : Management Discussion and Analysis for 2022'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' 2022 operating results based on the consolidated financial statements for the year ended 31 December 2022 as follows:

(Unit : Million Baht)

Operating Results	Period of the Year		
	2022	2021	% Change
Total revenues	6,030.83	6,404.91	(5.84)
Profit (loss) attributable to equity holders of CTW	24.45	(403.77)	106.06
Basic earnings (loss) per share (Baht/Share)	0.06	(1.01)	

Profit (loss)

Profit was THB 24.45 million in 2022, increasing by THB 428.22 million or 106.06% from loss of THB 403.77 million in 2021 caused from the following main reasons:

Revenue from Sales

Revenue from sales of THB 5,998.64 million in 2022 decreased by THB 389.47 million or 6.10% from THB 6,388.11 million in 2021. In 2022, the Company and its subsidiaries had revenue from local customers of THB 5,345.55 million and from overseas customers of THB 653.09 million.

Other Income

Other Income of THB 32.19 million increased by THB 15.38 million or 91.51% from THB 16.81 million in 2021 since its subsidiaries had gain on sales of investment properties of THB 9.44 million and gain on sales of assets of THB 8.48 million.

Expenses

Total expenses of THB 5,973.84 million in 2022 decreased by THB 926.46 million or 13.43% from THB 6,900.30 million in 2021, details were summarized as follows.

1. Cost of Sales

Total cost of sales of THB 5,813.32 million in 2022, representing 96.91% of sales, decreased by THB 626.39 million or 9.73%, when compared with THB 6,439.71 million in 2021, representing 100.81% of sales. In 2022, there was the reversal allowance for diminution in value of inventory of THB 51.59 million, which was included in cost of sales, due to decrease in main raw material (copper) price at the end of period, resulting in decrease in cost of sales.

2. Administrative expenses

Administrative expenses of THB 182.53 million decreased by THB 95.96 million or 34.46% from THB 278.50 million in 2021, due to loss on exchange of THB 56.62 million and its a subsidiary had allowance for impairment of assets from THB 28.63 million.

3. Other expenses

In 2021, there was 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. While there was the reversal loss on onerous contracts of THB 93.55 million in 2022.

4. Finance Cost

Finance cost of THB 29.63 million increased by THB 14.64 million or 93.73% from THB 14.98 million in 2021, due to increase in the interest expenses of trust receipts.

5. Income tax

Income tax of THB 4.87 million in 2022 consisted of the corporate income tax of THB 14.32 million and relating to origination and reversal of temporary differences of THB 9.45 million.

Financial position

1. Assets :

As at 31 December 2022, the Company and its subsidiaries had total assets of THB 6,072.82 million, decreasing by 5.99% from THB 6,459.93 million at the end of 2021 due to decrease in trade and other receivables.

2. Liabilities :

As at 31 December 2022, the Company and its subsidiaries had total liabilities of THB 2,172.89 million, decreasing by 14.04% from THB 2,527.93 million at the end of 2021 mainly due to decrease in trust receipts.

3. Equity attributable to owners of the Company :

As at 31 December 2022, the Company and its subsidiaries had shareholders' equity of THB 3,897.67 million, decreasing by 0.88% from THB 3,932.10 million at the end of 2021 mainly due to decrease in the fair value of investments recognized other comprehensive income.

(Unit : Million Baht)	Consolidated F/S			Separate F/S		
	31 Dec.2022	31 Dec.2021	% of Change	31 Dec.2022	31 Dec.2021	% of Change
Total assets	6,072.82	6,459.93	(5.99)	4,973.66	5,280.91	(5.82)
Total liabilities	2,172.89	2,527.93	(14.04)	1,494.29	1,738.99	(14.07)
Equity attributable to owners of the Company	3,897.67	3,932.10	(0.88)	3,479.37	3,541.92	(1.77)
Debt-To-Equity(D/E Ratio)	0.56	0.64		0.43	0.49	
Return on Equity(ROE)	0.62	(9.59)		(0.17)	(12.53)	

The separate financial statements for the year 2022, the Company had loss of Baht 5.94 million due to selling price competition, which loss decreased by Baht 477.94 million or 98.77%, when compared with the loss of Baht 483.88 million in 2021, since there was the allowance for diminution in value of inventory, which was included in cost of sales and the loss on onerous contracts.

Please be informed accordingly.

Sincerely yours,

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

(Mr. Sun Tao-Heng)
Managing Director