

CTW016/2023

May 9, 2023

Subject : Management Discussion and Analysis for the first quarter of 2023

To : President  
The Stock Exchange of Thailand

Charoong Thai Wire and Cable Plc.(CTW) would like to clarify the Company and its subsidiaries' operating results based on the consolidated financial statements for the first quarter of 2023, three-month period, ended 31 March 2023 as follows:

(Unit : Million Baht)

Operating Results	The first quarter (three-month period)			
	2023	2022	Change	
			Million Baht	%
Total revenues	1,242.67	1,490.41	(247.74)	(16.62)
Loss attributable to equity holders of CTW	(52.80)	(88.73)	(35.93)	(40.49)
Earnings (Loss) per share (Baht/Share)	(0.13)	(0.22)		

### **Loss**

Loss attributable to equity holders of CTW for the first quarter of 2023, three-month period, was THB 52.80 million, loss decreased by THB 35.93 million or 40.49%, compared with the loss of THB 88.73 million in the same period of previous year which was mainly caused by the following reasons:

### **Revenue from Sales**

Revenue from sales of THB 1,232.40 million decreased by THB 235.88 million or 16.07% from THB 1,468.28 million in the same period of previous year. In the first quarter of 2023, the Company and its subsidiaries had revenue from Enameled and non-enameled wire of THB 763.57 million, followed by Power cable of THB 432.65 million and Fiber optic cable of THB 35.59 million and Communication & others of THB 0.59 million, respectively.

### **Expenses**

Total expenses of THB 1,299.31 million decreased by THB 286.40 million or 18.06% from THB 1,585.71 million in the same period of the previous year, details were summarized as follows.

#### **1. Cost of Sales**

Total cost of sales of THB 1,244.64 million, representing 100.99% of sales, increased by THB 36.59 million or 3.03%, when compared with THB 1,208.05 million in the same period of the previous year. In the first quarter of 2023, the gross loss was THB 12.24 million or the negative gross margin was 0.99%, due to delivery of products under the onerous contracts in the first quarter of 2023 and there was the reversal of allowance for diminution in value of inventory of THB 112.44 million, while in the same period of the previous year, the gross profit was THB 260.23 million or the gross profit margin was 17.72% and there was allowance for loss on onerous contracts of THB 321.39 million.

## 2. Finance Cost

Finance Cost of THB 11.15 million increased by THB 5.83 million or 109.35% from THB 5.33 million in the same period of previous year, caused by the higher interest rates of loan.

### Financial position

#### 1. Assets :

As at 31 March 2023, the Company and its subsidiaries had total assets of THB 6,191.14 million, arising 1.95% from THB 6,072.82 million at the end of 2022 caused by the increase in inventories.

#### 2. Liabilities :

As at 31 March 2023, the Company and its subsidiaries had total liabilities of THB 2,313.12 million, arising 6.45% from THB 2,172.89 million at the end of 2022, due to increase in trade payables.

#### 3. Shareholder's equity of the Company :

As at 31 March 2023, the Company and its subsidiaries had shareholders' equity of the Company of THB 3,876.05 million, decreasing 0.55% from THB 3,897.67 million at the end of 2022, mainly due to decrease in the retained earnings of the Company resulting from the net loss during the period.

(Unit : Million Baht)	Consolidated F/S			Separate F/S		
	31 Mar.2023	31 Dec.2022	% of Change	31 Mar.2023	31 Dec.2022	% of Change
Total assets	6,191.14	6,072.82	1.95	4,948.59	4,973.66	(0.50)
Total Liabilities	2,313.12	2,172.89	6.45	1,474.91	1,494.29	(1.30)
Total shareholders' equity of the Company	3,876.05	3,897.67	(0.55)	3,473.68	3,479.37	(0.16)
Debt-To-Equity (times)	0.60	0.56		0.42	0.43	
Return on Equity (%)	(1.36)	0.62		(1.08)	(0.17)	

Please be informed accordingly.

Sincerely yours,

-- Mr. Sun Tao-Heng --

(Mr. Sun Tao-Heng)  
Managing Director