

CTW031/2023

November 14, 2023

Subject : Management Discussion and Analysis for the third 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 third quarter of 2023, three-month period, ended 30 September 2023 as follows:

(Unit : Million Baht)

Operating Results	The third quarter (three-month period)			
	2023	2022	Change	
			Million Baht	%
Total revenues	1,341.96	1,595.17	(253.21)	(15.87)
Profit attributable to equity holders of CTW	27.18	52.77	(25.59)	(48.50)
Earnings per share (Baht/Share)	0.07	0.13		

Profit

Profit attributable to equity holders of CTW for the third quarter of 2023, three-month period, was THB 27.18 million, decreasing by THB 25.59 million or 48.50% from THB 52.77 million in the same period of the previous year which was mainly caused by the following reasons:

Revenue from Sales

Revenue from sales of THB 1,337.85 million decreased by THB 250.49 million or 15.77% from THB 1,588.34 million in the same period of the previous year. In the third quarter of 2023, three-month period, the Company and its subsidiaries had revenue from Power cable of THB 659.15 million, followed by Enameled and non-enameled wire of THB 642.50 million, Fiber optic cable of THB 29.36 million, Communication cable of THB 5.47 million and Others of THB 1.37 million.

Other Income

Other Income of THB 4.11 million decreased by THB 2.72 million or 39.82% from THB 6.83 million in the same period of the previous year since a subsidiary received dividend from other long-term investment in other company of THB 3.36 million in the third quarter of 2022.

Expenses

Total expenses of THB 1,297.14 million decreased by THB 226.27 million or 14.85% from THB 1,523.41 million in the same period of the previous year, details were summarized as follows.

1. Cost of Sales

Total cost of sales of THB 1,241.33 million, representing 92.79% of sales, decreased by THB 219.94 million or 15.05%, when compared with THB 1,461.26 million in the same period of the previous year. In the third quarter of 2023, the gross profit was THB 96.52 million or the gross profit margin was 7.21%, and there was the reversal of allowance

for diminution in value of inventory of THB 126.64 million, while in the same period of the previous year, the gross profit was THB 127.08 million or the gross profit margin was 8.00%.

2. Administrative Expenses

Administrative expenses of THB 42.42 million decreased by THB 7.12 million or 14.37% from THB 49.54 million in the same period of the previous year, due to foreign exchange risk management. As a result, the loss on exchange in the third quarter of 2023 decrease by THB 6.93 million from the same period of the year 2022.

In addition, in the third quarter of 2023, there was reversal of loss on onerous contracts of THB 2.42 million due to decrease in quantity and price of main raw materials that must be delivered to the customers under the contract. While, there was reversal of loss on onerous contracts of THB 5.54 million in the same period of the previous year.

Financial position

1. Assets :

As at 30 September 2023, the Company and its subsidiaries had total assets of THB 6,527.10 million, increasing by 7.48% from THB 6,072.82 million at the end of 2022 due to increase in inventories.

2. Liabilities :

As at 30 September 2023, the Company and its subsidiaries had total liabilities of THB 2,767.26 million, increasing by 27.35% from THB 2,172.89 million at the end of 2022 mainly due to increase in trust receipts and trade payables.

3. Equity attributable to owners of the Company :

As at 30 September 2023, the Company and its subsidiaries had shareholders' equity of THB 3,758.37 million, decreasing by 3.57% from THB 3,897.67 million at the end of 2022 mainly due to loss for the period.

(Unit : Million Baht)	Consolidated F/S			Separate F/S		
	30 Sep.2023	31 Dec.2022	% of Change	30 Sep.2023	31 Dec.2022	% of Change
Total assets	6,527.10	6,072.82	7.48	5,384.64	4,973.66	8.26
Total liabilities	2,767.26	2,172.89	27.35	2,053.34	1,494.29	37.41
Equity attributable to owners of the Company	3,758.37	3,897.67	(3.57)	3,331.30	3,479.37	(4.26)
Debt-To-Equity(D/E Ratio)	0.74	0.56		0.62	0.43	
Return on Equity(ROE)	(3.55)	0.62		(4.19)	(0.17)	

Please be informed accordingly.

Sincerely yours,

-- Mr.Shih-Hao Chiu --

(Mr.Shih-Hao Chiu)
Managing Director