

CWTACC2023/004

14th November 2023

Subject: Managing Discussion and Analysis for Quarter 3/2023

To : Managing Director

The Stock Exchange of Thailand

Operating results for the three-month period ended 30 September 2023 and 2022

	30 September 2023	30 September 2022	Change	
	Million Baht	Million Baht	Million Baht	%
Sales and services	440.32	455.51	(15.18)	(3.33)
Profit (loss) on exchange rate	2.62	(2.87)	5.49	(191.02)
Share of gain from investment in associated company	2.18	2.99	(0.81)	(27.17)
Gain on disposal of fixed assets	1.55	(1.90)	3.45	(181.37)
Other income	9.25	8.13	1.12	13.73
Total revenues	455.91	461.86	(5.94)	(1.29)
Cost of sales and services	365.80	354.60	11.20	3.16
Selling expenses	12.17	17.29	(5.12)	(29.60)
Administrative expenses	65.74	41.49	24.25	58.45
Total expenses	443.71	413.38	30.33	7.34
Finance costs	26.06	13.71	12.35	90.05
Income tax expense	5.42	11.35	(5.93)	(52.26)
Net profit (loss) for the period	(19.28)	23.41	(42.69)	(182.35)
Profit (loss) attributable to equity holders of the parents	(9.47)	30.99	(40.46)	(130.55)
Basis earnings per share (Baht per share)	(0.01)	0.05	(0.06)	(120.00)

The company would like to report the operation results for the company and subsidiary for the three-month period ended 30 September 2023 has a loss based on profit attributable to the company, showing a net loss of 9.47 million baht, compared to the same period of previous year at 30.99 million baht, a decrease of 40.46 million baht, or 130.55%. The details of the net loss which has changed from the previous year are showed as follows:

1. The company and its subsidiaries had revenue from sales and services of 440.32 million baht, compared to the same period last year. Which has total sales and service income of 455.51 million baht, with revenue from sales of leather for car seats slightly decreased according to the number of cars produced according to the model received. Revenue from electricity sales increased from the company's additional investment in electricity generation and distribution business with a total of 16 MW. Revenue from boats and minibus decreased from product recalls in the quarter. In addition, the company has gain from foreign exchange for this quarter of 2.62 million baht, share of profit from investments in associates of 2.18 million baht, gain from asset sales of 1.55 million baht, and the company had other income of 9.25 million baht. Total revenues for the 3rd quarter of 2023 amounted to 455.91 million baht, compared to 3rd quarter of 2022 that has total revenues of 461.86 million baht.
2. The company and its subsidiaries have cost of sales and services for the three-month period ended 30 September 2023 presented at the amount of 365.80 million baht, compared with the same period of the previous year of 354.60 million baht, an increase of 11.20 million baht or 3.16%. This was caused by the increase in raw material prices. For selling and administrative expenses this period presented at the amount of 77.91 million baht, compared to the same period of the previous year of 58.78 million baht, an increase of 19.13 million baht, or 32.55%. The increase in administrative expenses is due to the company has developing new projects in the energy and electricity distribution business. Therefore, the total expenses of the company and its subsidiaries for the 3rd quarter 2023 amounted to 443.71 million baht, compared to the 3rd quarter 2022 of 413.38 million baht, an increase for representing of 30.33 million baht or 7.34%.
3. Finance costs in the consolidated financial statement for the three-month period ended 30 September 2023 presented at the amount of 26.06 million baht, compared to the same period of the previous year of 13.71 million baht, an increase of 12.35 million baht due to an increase in energy investment loans and an increase in interest rates during the quarter.

Financial position as at 30 September 2023 and 31 December 2022

	Consolidated (Million Baht)		Change	
	30 September 2023	31 December 2022	Million Baht	%
Current Assets	783.10	835.45	(52.35)	(6.27)
Non-Current Assets	3,127.06	2,654.35	472.71	17.81
Total Assets	3,910.16	3,489.80	420.36	12.05
Current Liabilities	1,006.50	759.67	246.83	32.49
Non-Current Liabilities	895.63	651.25	244.38	37.52
Total Liabilities	1,902.13	1,410.92	491.21	34.81
Total Shares' Equity	2,008.03	2,078.88	(70.85)	(3.41)

Total Assets

The company and its subsidiaries' current assets as of 30 September 2023 presented at the amount of 783.10 million baht, non-current assets at the amount of 3,127.06 million baht, total assets at the amount of 3,910.16 million baht, compared with current assets as of December 31, 2022 presented at the amount of 835.45 million baht, non-current assets at the amount of 2,654.35 million baht, total assets at the amount of 3,489.80 million baht. Total assets increased of 420.36 million baht or 12.05%. The increased assets include property, plant and equipment including the right to generate and sell electricity from the company's additional investment in the energy and electricity distribution business.

Total Liabilities

The company and its subsidiaries' current liabilities as of 30 September 2023 presented at the amount of 1,006.50 million baht, non-current liabilities of 895.63 million baht, total liabilities at the amount of 1,902.13 million baht, compared with current liabilities as at 31st December 2022 presented at the amount of 759.67 million baht, non-current liabilities of 651.25 million baht, total liabilities of 1,410.92 million baht. Total liabilities increase of 491.21 million baht or 34.81%, the mainly due to the loan from financial institutions for working capital in the business group, including investment in the energy sector.

Shareholders' Equity

The company and its subsidiaries' shareholders' equity as of 30 September 2023 presented at the amount of 2,008.03 million baht, compared with shareholders' equity as of 31st December 2022 presented at the amount of 2,078.88 million baht, a decrease 70.85 million baht, or 3.41% due to operation losses.

The company's financial ratios as of 30 September 2023 and 31st December 2022 have current ratio of 0.78 times and 1.09 times total debt to equity ratio of 0.95 times and 0.67 times respectively. The liquidity ratio decreased as the company's liabilities increased from investments in the energy and electricity distribution business.

Please be informed accordingly.

Sincerely yours,

(Mr. Weerapon Chaiteerath)

Managing Director