

CTW035/2017

November 14, 2017

Subject : Management Discussion and Analysis for the third quarter of 2017

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 2017, three-month period, ended 30 September 2017 as follows:

(Unit : Million Baht)

Operating Results	The third quarter (three-month period)			
	2017	2016	Change	
			Baht	%
Total revenues	2,350.18	1,689.61	660.57	39.10
Profit attributable to equity holders of CTW	158.64	45.48	113.16	248.83
Earnings per share (Baht/Share)	0.40	0.11		

Profit (Loss)

Profit attributable to equity holders of CTW of THB 158.64 million increased by THB 113.16 million or 248.83% from profit of THB 45.48 million in the same period of 2016, caused by the following main reasons:

Revenue from Sales

Revenue from sales of THB 2,322.53 million increased by THB 643.65 million or 38.34% when compared with THB 1,678.88 million in the same period of the previous year. In the third quarter of 2017, the Company and its subsidiaries had revenue from Power cable of THB 1,154.77 million, followed by Enameled and Non-enameled wire of THB 1,095.40 million, Fiber optic cable of THB 39.63 million and Communication cable of THB 31.62 million, respectively.

Other Income

Other Income of THB 27.65 million increased by THB 16.92 million or 157.68% from THB 10.73 million in the same period of 2016 since the gain on exchange rate increased by THB 5.55 million and its a subsidiary has the right to receive dividends for the year 2016 and 2017 from its investment in Hong Kong of THB 10.74 million.

Expenses

Total expenses of THB 2,146.76 million increased by THB 515.70 million or 31.62% from THB 1,631.06 million in the third quarter of 2016, details were summarized as follows.

1. Cost of Sales

Total cost of sales in the third quarter of 2017 of THB 2,076.63 million increased by THB 507.87 million or 32.37% when compared with THB 1,568.76 million in the same

period of 2016. In the third quarter of 2017, the gross profit was THB 245.90 million, increasing by THB 110.12 million from the same period of the previous year. The gross profit margin was 10.59% which increased from 6.56% in the same period of 2016.

2. Administrative Expenses

Administrative expenses of THB 45.44 million increased by THB 7.71 million or 20.42% from THB 37.74 million in the same period of 2016 since the Company increased allowance for doubtful accounts and its a subsidiary paid pollution fines.

3. Finance Cost

Finance cost of THB 8.60 million increased by THB 2.74 million or 46.81% from THB 5.86 million in the same period of the previous year which was mostly interest payment of trust receipts.

Please be informed accordingly.

Sincerely yours,

(Mrs. Sununtha Phaengsook)
Asst. Managing Director (Finance)