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May 12, 2021

Reference no. : RWV/BKK/014/2021

Subject : Management's Discussion and Analysis of Business Operation of 2021

To : The Manager and President

The Stock Exchange of Thailand,

Rayong Wire Industries PLC. (RWI) would like to clarify the operating result for Quarter1 /2564 which has been review by the auditor. With the explain and analysis of the department managed to be information for investors and those who are interested in general acknowledgment.

Overall performance analysis

For the first Q1/2021, the company had the net profit 127.21 million baht compared to the same on Q1/2020, which has net operating loss 59.23 million baht increase net profit increase 186.44 million baht or increase of 314.78 million baht with detail in below:

Performance analysis

Income

The company has total revenue in Q1/2021 of 349.54 million baht, and increase of 213.91 million baht. Comparing from the same period in the first quarter of 135.63 million baht or an increase of percent 166.55.as in the first quarter of 2021, the revenue from product sales increased by 90.08 million baht. The reason from China has lowered the export volume of steel products. It has also canceled the tax rebate. As a result, the price of raw material and the selling price of one wire rod increase rapidly. The company has therefore received. Consistently large number of orders from customer, In addition, the company has a profit from measuring the fair value of the Marketable securities by 129.81 million baht.

Cost of sale

The company has capital for sale in the first quarter of 2021 in the amount of 180.55 million baht, An increase of 65.08 million baht. When compared with the firth quarter of 2563, the cost sales was 115.47 million baht, An increase of 56.36% which the added cost of sales in line with the increase in sales volume but resulted in the cost of resale.

Expenses

The company cost of distribution in Q1/2021 of 6.66 million baht, an increase of 1.54 million baht or Increase of 30.13% form the same period of the first quarter of 2020 which equal to 5.12 million baht. From increase sales volume, resulting in higher transportation cost but still able to control and manage the cost of sold per until as well.

For administrative expenses in the first quarter of 2021 amount to 6.09 million baht, a decrease of 3.63 million baht or 37.32 % from the same period of Q1/2020, which is 9.72 million baht. In the management of the decrease caused by the first quarter of 2021, the debt is received from the debtor who has set up an allowance for doubtful account.

Financial position

Total assets

As of March 31, 2021, the Company's total assets were 1,242.30 million baht, an increase of 114.10 Million baht or an increase of 10.11% compared to December 31, 2020, which has total assets of 1,128.20 million baht due to the increase in trade accounts receivable by 54 million baht as a result of higher sales volume and selling price As well as increasing the sales volume,

Making the need to purchase raw materials As a result, inventories increased by 23.56 million baht and other current financial assets. Which is the securities that the company has invested in the capital market, has increased by 129.56 million baht.

Liabilities

As of March 31, 2021 the company had the total liabilities of 341.90 million baht decreased as 13.11 million baht or 3.69%, comparing to the total liabilities of 355.01 million baht on December 31, 2020 decrement of impacted paid debt trust receipt 24.42 million bath. Trade accounts payable from raw material purchases increased by 14 million baht. Factory accounts payable from raw material purchases increased by 14 million baht. Factory land lease liabilities decreased by 27.68 million baht as a result of the Industrial Estate Authority of Thailand lowered land rental rates. For entrepreneurs operating in the Industrial Estate Authority of Thailand to suit the current economic conditions The deferred income tax increased by 26.13 million baht.

Shareholders Equity

As of March 31, 2021, the company had the shareholders equity of 900.40 million baht increased 127.21 million baht or increased 16.45%, comparing to the shareholders equity of 773.18 million baht on December 31, 2020. The company had the total comprehensive of 3 months in 2021 amount 127.21 million baht.

Please be Informed accordingly

Your sincerely,

(Miss Nongnuch Kumchaithep)

Director