



บริษัท ระยองไวร์ อินดัสตรีส์ จำกัด (มหาชน)
RAYONG WIRE INDUSTRIES PUBLIC COMPANY LIMITED
ทะเบียนเลขที่ 0107552000111



Subject Management Explanation and Analysis for
Performance for Q1/2022

Dear Sir Dear Director and Manager
The Stock Exchange of Thailand

Rayong Wire Industries Public Company Limited ("the company") Please clarify the operating result for Q1/2022 which have been reviewed by the auditor, along with management's explanation and analysis, to provide information for investor and general interested parties

RWI



Unit: Million Baht	Q1/2022	Q1/2021	Growth (%)
Revenue from product sale	288.83	218.51	32.18
Total revenue	296.13	349.54	(15.28)
Gross profit	19.44	37.97	(48.81)
Profit from selling product	7.93	23.53	(66.30)
Profit(Loss)equility mearsurement	(10.37)	129.81	(107.99)
Profit (loss)net	(2.15)	127.21	(101.69)
Gross profit ratio (%)	6.37	17.38	-
Selling profit ratio (%)	2.75	10.77	-
Net profit ratio (%)	(2.15)	36.39	-

The company has profit from production and sale of 7.93 million baht, decrease 15.60 million baht or 66.30% compare profit 23.53 million baht in Q1/2022.

The company recorded a loss of 10.37 million baht from production and sales in Q1/2022, an decrease of profit 140.19 million baht or 107.99% compared to Q 1/2021, which has a profit of 129.81 million baht. It is the result of unrealized profits, only a change in the fair value of investment and the price of securities, according to accounting standards.

The company posted a net loss of 2.15 million in Q1/2022 .Profits decreased by 129.36 million baht or 101.69 % when compared to the previous year of Q1/2021, which posted a net profit of 127.21 million baht.

The company posted sales revenue of 288.83 million baht, an increase of 70.31 million baht or 32.18% compared to Q1/2006 when sales revenue was 218.51 million baht. As the beginning of year 2022, steel prices have risen a lot and have continued to rise, with sales volume still close to Q1/2021.

In Q1/2022 total revenue was 296.13 million baht, a decrease of 53.41 million baht or 15.28% compared to Q1/2021, which was 349.54 million baht due to a gain from measuring 129.81 million baht in financial assets. Lower income was considered part of total revenue.

Cost of Goods Sold

The company has cost of goods sold .Q1/2022 sales capital of 269.39 million baht increased by 88.84 million baht or 49.21% compared to Q1/2021 when the cost of goods sold was 180.55 million baht due to higher raw material prices. According to the global steel market, the company has managed to maintain proper and tight control of raw materials so that there is no excessive inventory risk of price fluctuations Raw materials.

Distribution Costs

In Q1/2022, the company the cost of distribution was 7.34 million baht, an increase of 0.68 million baht or 10.28% compared to Q1/2021, due to an increase in sales volume, which led to an increase in freight transportation costs. Although in the case of higher oil prices, the company managed to control freight costs within a certain range. That's good. As can be seen clearly when comparing the cost of distribution with sales revenue.



Administrative Expenses

The company's management expenses in 2021 were 8.01 million baht in Q1/2022, an increase of 1.92 million baht when compared to 6.09 million baht in Q1/2021 or an increase of 31.51%. There was a reversal of doubtful debt reserve amounting to Baht 3.40 million baht, which is part of administrative expenses. In addition, the company has adjusted and allocated the personnel structure to be suitable for the operation.

Assets

As of March 31, 2022, the Company's total assets were 1,860.97 million baht, an increase of 96.85 million baht or 5.49 % compared to December 31, 2021, when the total assets were 1,764.12 million baht, as investors converted RWI-W2 to common stock of 55 million baht, the sales revenue increased by 105.82 million baht, and the balance increased by 45 million baht. Proper management of inventory to prevent fluctuations in steel prices resulted in a reduction of 23 million baht.

Liability

As of March 31, 2022, the company's total liabilities were 437.69 million baht, an increase of 45.83 million baht or 11.69%, compared to 391.87 million baht on December 31, 2021, due to short-term borrowings from financial institutions to purchase raw materials increased by 40 million baht and trade creditors to purchase raw materials increased by 4 million baht.

Equity

As of March 31, 2022, the company's total equity was 1,423.28 million baht, an increase of 51.03 million baht or 3.71% compared to December 31, 2021, when the equity of 1,372.26 million baht, paid-in capital increased by 139 million baht, and the excess value of ordinary shares increased by RWI-W2 conversion by 277.82 million baht and saw the value of shares waiting to be registered decreased by 363.55 million baht and in the first quarter of 2022. There was a total loss of 2.15 million baht.

Substantial Financial Ratio

	Q1/2022	Q1/2021
Number of trading receivable days	92.00	79.00
Number of inventory days	63.00	63.00
Liquidity ratio	4.82	5.25
Debt to equity ratio	0.31	0.38
Debt to equity ratio	-0.12	10.24
Net profit to equity (%)	-0.15	14.13

The number of days of trade receivables per income in Q1/2022 was 92 days, an increase of 13 days compared to Q1/2021, which was 79 days, as the sales department penetrated the retail customer market in provincial areas to expand its customer base and increase sales volume, using the credit term flexibility strategy.

The number of inventory days per revenue for Q1/2022 was 63 days, the same as Q1/2021, indicating agile inventory management capabilities, taking a period from receipt of raw materials, production to completion of delivery to customers in a shorter time.



The liquidity ratio for Q1/2022 was 4.82 times, a slight decrease of 0.43 compared to Q1/2021, which was 5.25 times. This is due to the increase in current liabilities arising from loans to purchase raw materials, in preparation for increased capacity

The debt-to-equity ratio for Q1/2022 was -0.31, down 0.07 compared to Q1/2021, which was 0.38 as equity increased due to increased retained earnings in 2021 and registered paid-in capital from the RWI-W2
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Net profit per total asset (ROA) for Q1/2022 was -0.12, down 10.36 compared to Q1/2021, which was 10.24% due to a loss of 2.15 million baht in Q1/2022

Net profit per equity (ROE) for Q1/2022 was -0.15, down 14.28 compared to Q1/2021, which was 14.13% due to a loss of 2.15 million baht in Q1/2022

Best regards

Mr.Chirdsak Kukiattinun
Managing Director