



บริษัท ระยองไวร์ อินดัสตรีส์ จำกัด (มหาชน)
RAYONG WIRE INDUSTRIES PUBLIC COMPANY LIMITED
ทะเบียนเลขที่ 010 7552000111



November 12, 2018

Reference no. RWI/RY/027/2561

Subject : Management's Discussion and Analysis of Business Operations of the Third Quarter of 2018

Dear The Director and Manager of the Stock Exchange of Thailand,

Rayong Wire Industries Plc. as (THE COMPANY) would like to describe and analyze the financial position and business operation of the 3rd quarter of 2018 that has been audited from the external auditor, in order to disclose the information to investors and public.

The Overview of Business Operation

In the 3rd quarter of 2018, the company had net profit of 27.88 million baht, increased by 17.66 million baht or 172.83% comparing to the net profit of 10.22 million baht in the 3rd quarter of previous year. The details are as follows:

Financial Analysis

Revenues

The company had the total revenues as 305.28 million baht which is increased as 88.02 million baht, compared to the total income of previous year amounted of 217.26 million baht or increase as 40.51% because the company has implemented the strategic marketing plan in order to increase the potential competition capability and developed the huge orders from both domestic and export sales. The company could gain the other income from the profit from the gain on revaluation of available-for-trading securities.



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Cost of Goods Sold

The company had the cost of goods sold as 248.84 million baht, increased as 59.86 million baht, comparing to the cost of goods sold in 2017 which is 188.98 million baht or increased by 31.67 percent. The cost of goods sold increased as well as the increment of sales volume.

Expense

Sales and Administration Cost

The company had the selling cost of 11.45 million baht, increased by 4.70 million baht or 69.80 % compared to 2017 which is 6.74 million baht. The increment of sales quantity impacted on the increment of transportation cost including export expense since the company developed more channel to export to overseas.

Financial Position

Total Asset

As of September 30, 2018, the company has the total asset of 1,456.27 million baht, comparing to the total asset of 1,355.36 million baht on December 31, 2017, increased of 100.90 million baht or 7.44%. The reason was from the increment of cash and cash equivalents as amount of 49.29 million baht according to the allocation of cash for repayment of current portion of raw material debt. The company sold the short-term investment as amount of 95.81 million baht to repay current portion of raw material debt. The company also spent some portion of short-term investment to guarantee the raw material purchasing as amount of 26.00 million baht. The inventory amount increased to 124.05 million regarding to the safety stock management.



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Liabilities

As of November 30, 2018, the company had the total liabilities of 418.74 million baht, increased as 92.48 million baht or 28.34%, comparing to the total liabilities of 326.27 million baht on December 31, 2017. It was caused from the increment of short-term borrowings from financial institutions in order to buy the raw materials.

Shareholders' Equity

As of September 30, 2018, the company had the shareholders equity of 1,037.53 million baht, increased by 8.43 million baht or 0.82%, comparing to the shareholders equity of 1,029.10 million baht on December 31, 2017. The company paid the dividend form operation of 2017 as amount of 64.45 million baht. The company had the total comprehensive of 9 months in 2018 as amount of 24.13 million baht including some shareholders who had the right to exercise on the warrant (RWI-W1).

Please be informed for acknowledgment

Yours sincerely,

(Mr. Pipit Jaovisidha)

Director