



บริษัท ไทยสตีลเคเบิล จำกัด (มหาชน)
Thai Steel Cable Public Company Limited

Management Discussion and Analysis
Thai Steel Cable Public Company Limited
For Q3/2018

Financial Position

| Unit : Million Baht | 2018 At Jun 30, 2018 | 2017 At Jun 30, 2017 |
|---------------------|-------------------------|-------------------------|
| Current Asset | 1,404.41 | 1,460.90 |
| Total Assets | 2,578.58 | 2,699.88 |
| Current Liabilities | 891.29 | 934.98 |
| Total Liabilities | 957.33 | 1,068.03 |
| Total Equity | 1,621.25 | 1,631.85 |

| Ratio | 2018 (Apr 1, 2018 – Jun 30, 2018) | 2017 (Apr 1, 2017 – Jun 30, 2017) |
|--------------------|---|---|
| Gross Profit Ratio | 18.57 | 17.56 |
| ROE | 11.31 | 7.55 |
| Current Ratio | 1.58 | 1.56 |
| Debt/Equity Ratio | 0.59 | 0.65 |

Gross Profit Ratio of the third quarter of 2018 increased 1.01% YOY due to the increased sales revenue.

Return on Equity (ROE) of 2018 went up 3.76% which reflected the improved performance of the Company compared to the same period of last year.

Current ratio in 2018 went up a bit because of the increase of accounts receivable driven by the growing sales revenue.

Debt / Equity Ratio in 2018 went down due to the repayment of loans to commercial banks.





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Performance

| Unit: Million Baht | Q3/2018 (Apr 1, 2018 – Jun 30, 2018) | % on sale | Q3/2017 (Apr 1, 2017 – Jun 30, 2017) | % on sale |
|-----------------------------------|---|--------------|---|--------------|
| Revenue from sales | 757.40 | 100.00% | 716.69 | 100.00% |
| Other Income | 6.28 | 0.83% | 11.85 | 1.65% |
| Cost of goods sold | -616.74 | -81.43% | -590.85 | -82.44% |
| Selling & Administrative expenses | -74.50 | -9.84% | -78.89 | -11.01% |
| Finance cost | -2.21 | -0.29% | -3.76 | -0.52% |
| Income tax | -3.19 | -0.42% | -2.61 | -0.36% |
| Net Profit | 67.04 | 8.85% | 52.43 | 7.32% |

Sales revenue in Q3/2018 was 757.40 million baht, an increase of Baht 40.71 million baht or 5.68% when compared to the same period of last year. It was a result of the increasing orders from major customers, the launching of new models, and the expansion of customer base.

The net profit in Q3/2018 was 67.04 million baht, an increase of 14.61 million baht or 27.87% compared to Q3/2017 which was 52.43 million baht. This derived from the higher sales revenue, the lower Cost of goods sold ratio by 1.01%, the decrease of selling and administrative expenses by 1.17%, because of effective control over the operating expenses.

The Car makers have launched new models into the market since the beginning of this year, and there will be a number of new models being launched in this year. The car and part makers are anticipated to receive more orders which are in line with the improving Thai economic conditions. We are going up to strategic target. It is estimated that the automotive industry will grow up even larger than last year.

There are several positive signs of improving purchasing power in markets. The overall picture of the Thai economy is gradually picking up, reflecting a positive impact of the government monetary policy and a recovery in the domestic industry supplying for domestic consumption and exports. This is consistent with the expansion of the world economy despite concerns over trade barriers. In addition, the industrial confidence index is likely to improve over the same period last year. Nevertheless, government stimulus packages and government policies aimed at economic structural reform remains an important factor that will drive Thai economy in the future.

