

11 November 2021
Bangkok Ranch Public Company Limited
Management Discussion and Analysis
Business overview
For the three-month period ended 30 September 2021

	For the three-month period ended		
	30 September 2021	30 September 2020	Change
	Million Baht	Million Baht	%
Sales	1,729	1,423	21
Cost of sales	(1,476)	(1,211)	(22)
Gross profit	253	212	19
<i>% Gross profit</i>	<i>15%</i>	<i>15%</i>	
Other income	(0)	4	(109)
Selling and administrative expenses	(230)	(188)	(22)
Operating profit	23	28	(19)
Share of profit (loss) from investments in joint ventures	(1)	3	(146)
Profit before finance cost and income tax income	22	31	(29)
Finance cost	(59)	(45)	(31)
Income tax income	5	5	(1)
Net loss for the period	(32)	(9)	(268)
Attributable to non-controlling interests of subsidiaries	0	1	(86)
Net loss for the period attributable to equity holders of the Company	(32)	(8)	(273)
EBITDA	108	121	(11)

Overall business operations in the third quarter of 2021 continued to grow compared to the same period as last year due to proper management. Management adapted itself with the current pandemic markets quick and timely.

On the other hand, cost of sales increased especially selling and administrative expenses increased for the three-month period ended 30 September 2021. Cost increased due to increase in logistics expenses, COVID-19 prevention expenses, and overall increase in commodity prices.

For the nine-month period ended 30 September 2021

	For the nine-month period ended		
	30 September 2021	30 September 2020	Change
	Million Baht	Million Baht	%
Sales	5,102	4,341	18
Cost of sales	(4,324)	(3,771)	(15)
Gross profit	778	570	37
<i>% Gross profit</i>	<i>15%</i>	<i>13%</i>	
Other income	2	11	(80)
Selling and administrative expenses	(641)	(666)	4
Loss on disposals of investments in subsidiary	(55)	-	100
Loss on initial measurement of other non-current financial assets at fair value	(10)	-	100
Operating profit (loss)	74	(85)	187
Share of loss from investments in joint venture	(8)	(8)	(4)
Profit (loss) before finance cost and income tax income	66	(93)	171
Finance cost	(155)	(124)	(25)
Income tax income	15	56	(74)
Net loss for the period	(74)	(161)	54
Attributable to non-controlling interests of subsidiaries	1	2	(68)
Net loss for the period attributable to equity holders of the Company	(73)	(159)	54
EBITDA	358	178	101

The Group's operating results for the nine-month period ended 30 September 2021 showed better sales and operating performance from the same period last year. Better sales and operating performance due to effective management strategy against the pandemic markets.

On the other hand, the Group continued to make a net loss due to the current COVID-19 pandemic situation.

Financial position

	As at		Change %
	30 September 2021 Million Baht	31 December 2020 Million Baht	
Total current assets	3,042	2,494	22
Total non-current assets	7,917	8,504	(7)
Total assets	10,959	10,998	(0)
Total current liabilities	2,961	4,393	(33)
Total non-current liabilities	3,961	2,538	56
Total liabilities	6,922	6,931	(0)
Total Shareholders' Equity	4,037	4,067	(1)
Total Liabilities and Shareholders' Equity	10,959	10,998	(0)

As of 30 September 2021, the Group has total assets of 10,959 million Baht, a decrease of 39 million Baht from 31 December 2020, mainly from depreciation of plant and equipment.

As of 30 September 2021, the Group has total liabilities of 6,922 million Baht, a decrease of 9 million Baht from 31 December 2020, mainly due to a decrease in trade payables.

While total shareholders' equity decreased from loss for the nine-month period ended 30 September 2021.

Financial Ratios

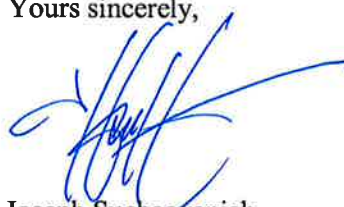
Liquidity Ratios	30 September 2021	31 December 2020
Current Ratio (times)	1.03	0.57
Quick Ratio (times)	0.47	0.18
Activity Ratios	30 September 2021	30 September 2020
Account Receivable Turnover (times)	8.58	7.81
Average Collection Period (days)	31	35
Fixed Asset Turnover (times)	1.05	0.84
Account Payable Turnover (times)	8.09	7.75
Average Payment Period (days)	33	35
Cash Cycle (days)	99	117
Inventory Turnover (times)	2.66	2.30
Inventory Turnover Period (days)	101	117
Total Assets Turnover (times)	0.47	0.40
Leverage Ratios		
Interest Coverage (times)	0.42	(0.75)
Debt / Equity Ratio (times)	30 September 2021	31 December 2020
Debt / Equity Ratio (times)	1.71	1.70
Profitability Ratios	30 September 2021	30 September 2020
Gross Profit Margin (%)	15.3%	13.1%
Net Profit Margin (%)	(1.4%)	(3.7%)
Return on Assets or ROA (%)	0.6%	(0.9%)
Return on Equity or ROE (%)	(1.8%)	(3.9%)

Factors affecting the Group's performance in the future

COVID-19 business disruption, rising of global commodity prices, and labor shortage are critical key factors affecting the Group's performance moving forward.

The Group strictly implements extreme measures to control any situation related to the COVID-19 pandemic in the organization.

Yours sincerely,



Mr. Joseph Suchaovanich

Chief Executive Officer