

28 February 2022
Bangkok Ranch Public Company Limited
Management Discussion and Analysis
Business overview
For the year ended 31 December 2021

	For the year ended		Change %
	31 December 2021 Million Baht	31 December 2020 Million Baht	
Sales	7,260	6,186	17
Cost of sales	(6,130)	(5,358)	(14)
Gross profit	1,130	828	37
<i>% Gross profit</i>	<i>16%</i>	<i>13%</i>	
Other income	16	15	9
Selling and administrative expenses	(928)	(838)	(11)
Loss on disposals of investments in subsidiary	(55)	-	(100)
Loss on initial measurement of other non-current financial assets at fair value	(10)	-	(100)
Impairment loss of investment	-	(2)	100
Operating profit	153	3	5,890
Share of loss from investments in joint venture	(4)	(7)	43
Profit (loss) before finance cost and income tax income	149	(4)	3,667
Finance cost	(213)	(173)	(23)
Income tax income	7	49	(86)
Net loss for the year	(57)	(128)	56
Attributable to non-controlling interests of subsidiaries	1	5	(84)
Net loss for the year attributable to equity holders of the Company	(56)	(123)	55
EBITDA	531	362	47

Overall, the Group's business operations for the year 2021 continued to grow compared to the same period of last year. Proper management and effective sales strategies during pandemic situations has helped the organization achieve results quick and timely.

On the other hand, cost of sales including selling and administrative expenses increased for the year end 31 December 2021. Cost increased due to increase in logistics expenses, COVID-19 prevention expenses, and overall increase in commodity prices.



Financial position

	As at		Change %
	31 December 2021 Million Baht	31 December 2020 Million Baht	
Total current assets	2,846	2,494	14
Total non-current assets	7,946	8,504	(7)
Total assets	10,792	10,998	(2)
Total current liabilities	4,034	4,393	(8)
Total non-current liabilities	2,725	2,538	7
Total liabilities	6,759	6,931	(2)
Total Shareholders' Equity	4,033	4,067	(1)
Total Liabilities and Shareholders' Equity	10,792	10,998	(2)

As of 31 December 2021, the Group has total assets of 10,792 million Baht, a decrease of 206 million Baht from 31 December 2020, mainly from depreciation of plant and equipment.

As of 31 December 2021, the Group has total liabilities of 6,759 million Baht, a decrease of 172 million Baht from 31 December 2020, mainly due to a decrease in Bank overdrafts and short-term loans from financial institutions.

While total shareholders' equity decreased from loss of year ended 31 December 2021.



Financial Ratios

Liquidity Ratios	31 December 2021	31 December 2020
Current Ratio (times)	0.71	0.57
Quick Ratio (times)	0.32	0.18
Activity Ratios	31 December 2021	31 December 2020
Account Receivable Turnover (times)	12.40	10.59
Average Collection Period (days)	29	34
Fixed Asset Turnover (times)	1.48	1.21
Account Payable Turnover (times)	9.82	10.25
Average Payment Period (days)	37	36
Cash Cycle (days)	86	109
Inventory Turnover (times)	3.87	3.31
Inventory Turnover Period (days)	94	110
Total Assets Turnover (times)	0.67	0.57
Leverage Ratios		
Interest Coverage (times)	0.70	(0.02)
	31 December 2021	31 December 2020
Debt / Equity Ratio (times)	1.68	1.70
Profitability Ratios	31 December 2021	31 December 2020
Gross Profit Margin (%)	15.6%	13.4%
Net Profit Margin (%)	(0.8%)	(2.1%)
Return on Assets or ROA (%)	1.4%	(0.0%)
Return on Equity or ROE (%)	(1.4%)	(3.1%)

Factors affecting the Group's performance in the future

The rise in the omicron coronavirus outbreak is an important factor that created a lot of uncertainty towards global economic recovery. There are broad impact on consumers, labor issues, the rising prices of raw materials, energy and logistics costs.

Moreover, the Group places importance on taking care of employees and a safe working environment; including strict measures of controlling the spread of COVID-19.

Yours sincerely,



Mr. Joseph Sushavanich

Chief Executive Officer

Weekend