

9 May 2022
Bangkok Ranch Public Company Limited
Management Discussion and Analysis
Business overview
For the three-month period ended 31 March 2022

	For the three-month period ended		
	31 March 2022	31 March 2021	Change
	Million Baht	Million Baht	%
Sales	2,078	1,721	21
Cost of sales	(1,687)	(1,455)	(16)
Gross profit	391	266	47
% Gross profit	19%	15%	
Other income	5	3	51
Selling and administrative expenses	(258)	(209)	(23)
Operating profit	138	60	129
Share of profit (loss) from investments in joint venture	1	(1)	249
Profit before finance cost and income tax expense	139	59	135
Finance cost	(52)	(47)	(11)
Income tax expense	(25)	(7)	(269)
Net profit for the period	62	5	1,246
Attributable to non-controlling interests of subsidiaries	(0)	1	(163)
Net profit for the period attributable to equity holders of the Company	62	6	886
EBITDA	219	165	33

Overall, the Group's business operations for the year 2022 continued to be on target. 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 three-month period end 31 March 2022. Most importantly a lot of the cost increase are due to logistics expenses, Covid-19 related expenses, and overall increase in raw material commodity prices.

Financial position

	As at		Change %
	31 March 2022 Million Baht	31 December 2021 Million Baht	
Total current assets	2,656	2,846	(7)
Total non-current assets	7,918	7,946	(0)
Total assets	10,574	10,792	(2)
Total current liabilities	2,765	4,034	(31)
Total non-current liabilities	3,726	2,725	37
Total liabilities	6,491	6,759	(4)
Total Shareholders' Equity	4,083	4,033	1
Total Liabilities and Shareholders' Equity	10,574	10,792	(2)

As of 31 March 2022, the Group has total assets of 10,574 million Baht, a decrease of 218 million Baht from 31 December 2021, mainly from current assets and depreciation of plant and equipment.

As of 31 March 2022, the Group has total liabilities of 6,491 million Baht, a decrease of 268 million Baht from 31 December 2021, mainly due to a decrease in bank loans from financial institutions.

Financial Ratios

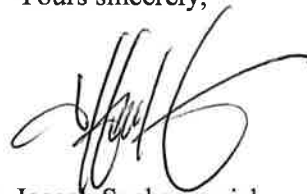
Liquidity Ratios	31 March 2022	31 December 2021
Current Ratio (times)	0.96	0.71
Quick Ratio (times)	0.42	0.32
Activity Ratios	31 March 2022	31 March 2021
Account Receivable Turnover (times)	3.23	3.35
Average Collection Period (days)	28	27
Fixed Asset Turnover (times)	0.46	0.33
Account Payable Turnover (times)	2.53	2.78
Average Payment Period (days)	36	32
Cash Cycle (days)	71	97
Inventory Turnover (times)	1.15	0.88
Inventory Turnover Period (days)	79	102
Total Assets Turnover (times)	0.19	0.16
Leverage Ratios		
Interest Coverage (times)	2.68	1.27
	31 March 2022	31 December 2021
Debt / Equity Ratio (times)	1.59	1.68
Profitability Ratios	31 March 2022	31 March 2021
Gross Profit Margin (%)	18.8%	15.5%
Net Profit Margin (%)	3.0%	0.4%
Return on Assets or ROA (%)	1.3%	0.5%
Return on Equity or ROE (%)	1.5%	0.1%

Factors affecting the Group's performance in the future

Besides the Omicron coronavirus outbreak globally, the ongoing conflict war between Russia and Ukraine have worsened the situation. There will be a huge impact on consumers, labour issue, the rising price of raw materials, energy price and logistic cost. Furthermore our overseas business is affected by the worst Avian Influenza (Bird flu) outbreak in 20 years within Europe. Some of our farms in our Netherlands subsidiary was hit by AI (including parent stock farms).

Nevertheless, the Group continues to place high importance on taking care of employees and a safe working environment; including strict measures of controlling the spread of COVID-19 and Bird flu.

Yours sincerely,



Mr. Joseph Suchaovanich

Chief Executive Officer

Wassana