



บริษัท ริช สปอร์ต จำกัด (มหาชน)

RICH SPORT PUBLIC COMPANY LIMITED

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11 November 2022

**Subject: Management's Discussion and Analysis  
for the three-month period ended 30 September 2022**

Attention: President  
The Stock Exchange of Thailand

Rich Sport Public Company Limited ("the Company") would like to clarify the operating results of the Company and its subsidiaries for the three-month period ended 30 September 2022 as follows:-

**Summary of consolidated income statement for the three-month period ended 30 September 2022**

Unit : Million Baht

	Q3			For the year ended 30 September		
	2022	2021	Change	2022	2021	Change
Revenue from sales	303.3	128.0	137.0%	871.0	574.5	51.6%
Other income	12.3	1.1	1,018.2%	19.1	16.1	18.6%
<b>Total revenues</b>	<b>315.6</b>	<b>129.1</b>	<b>144.5%</b>	<b>890.1</b>	<b>590.6</b>	<b>50.7%</b>
Cost of sales	139.8	73.2	91.0%	400.1	299.9	33.4%
Selling and administrative expenses	144.2	67.8	112.7%	394.4	282.7	39.5%
Loss (Gain) on disposal and change in value of other current financial assets	17.6	11.5	53.0%	13.1	11.5	13.9%
<b>Profit (loss) before finance costs and income tax expense</b>	<b>14.0</b>	<b>(23.4)</b>	<b>159.8%</b>	<b>82.5</b>	<b>(3.5)</b>	<b>2,457.1%</b>
Finance costs	1.7	0.8	112.5%	5.5	3.5	57.1%
Tax expense (income)	2.6	(4.8)	154.2%	15.9	(0.4)	4,075.0%
<b>Profit (loss) for the period</b>	<b>9.7</b>	<b>(19.4)</b>	<b>150.0%</b>	<b>61.1</b>	<b>(6.6)</b>	<b>1,025.8%</b>

**Operating result for the three-month period ended 30 September 2022**

During the third quarter of 2022, Thai economy has continued to improve from the previous quarter with an increase in private consumption and investment. Tourism sector has continued to recover with increasing in number of foreign tourists.

In this quarter, the Company's revenue from sales is Baht 303.3 million, increased Baht 175.3 million or 137.0% from the same period last year. This has been resulted from Government's easing of lockdown measures.

Other income equaled to Baht 12.3 million, increased 1,018% from the same period last year. This is due to an increase in dividend received from investment in other current financial assets and gain from lease termination.

The Company's consolidated gross profit is Baht 163.5 million, increased Baht 108.7 million or 198% from the same period last year. An improvement in Gross Profit Margin from 42.8% to 53.9% was resulted from better management of sales promotion by the Company.

Selling and administrative (SG&A) expenses equaled to Baht 144.2 million, increased 112.7% from the same period last year. The proportion of SG&A expenses to total revenue from sales is 47.5%. An increase in SG&A expenses was mainly resulted from personal, marketing, and other expenses which are variable to sales. However, the Company has continued to control the expenses according to the current situation.

The Company recognized loss on change in fair value of other current financial assets equaled to Baht 17.6 million due to decrease in price of securities.

The Company's total net profit of the Quarter is Baht 9.7 million with Net Profit Margin of 3.2%.

#### **Operating result for the nine-month period ended 30 September 2022**

The Company's revenue from sales for the nine-month period of year 2022 is Baht 871.0 million, increased 51.6% from the same period last year.

Other income is Baht 19.1 million, increased 18.6% from the same period last year due to increase in dividend received from investment in other current financial assets and gain from lease termination.

The Company's consolidated gross profit is Baht 470.9 million, increase of Baht 196.3 million from the same period last year. Gross Profit Margin has increased from 47.8% to 54.1%, which was resulted from better management of sales promotion by the Company.

Selling and administrative (SG&A) expenses equaled to Baht 394.4 million, increased 39.5% from the same period last year. The proportion of SG&A expenses to total revenue from sales is 45.3%. The increase of SG&A expenses mainly resulted from personal, marketing, and other expenses which are variable to sales.

The Company recognized loss on change in fair value of other current financial assets equaled to Baht 13.1 million due to decrease in price of securities.

The Company's total net profit is Baht 61.1 million with Net Profit Margin of 7.0%.

## Summary of consolidated statement of financial position as at 30 September 2022

Unit : Million Baht

	30 September 2022	31 December 2021	Change
Cash and cash equivalents	532.1	744.9	-28.6%
Other current financial assets	588.0	595.4	-1.2%
Trade and other receivables	124.4	154.1	-19.3%
Inventories	299.3	230.8	29.7%
Other current assets	138.3	39.6	249.2%
Other non-current financial assets	61.6	-	100.0%
Property, plant and equipments	142.0	142.1	-0.1%
Right-of-use assets	192.3	192.3	0.0%
Other non-current assets	74.5	68.5	8.8%
<b>Total assets</b>	<b>2,152.5</b>	<b>2,167.7</b>	<b>-0.7%</b>
Trade and other payables	145.7	116.8	24.7%
Accrued income tax	15.3	3.4	350.0%
Other current liabilities	5.3	4.8	10.4%
Lease liabilities	199.2	212.6	-6.3%
Other non-current liabilities	37.4	34.8	7.5%
Total liabilities	402.9	372.4	8.2%
Total shareholders' equity	1,749.6	1,795.3	-2.5%
<b>Total liabilities and shareholders' equity</b>	<b>2,152.5</b>	<b>2,167.7</b>	<b>-0.7%</b>

The Company's financial position as of 30 September 2022 are as follows:

The Company's total assets is Baht 2,152.5 million, decreased 0.7% from the end of 2021. The decrease of total assets was mainly resulted from increase in other non-current financial assets, other current assets and inventory and decrease in cash and cash equivalents and trade and other receivables.

Total liabilities is Baht 402.9 million, increased 8.2% from the end of 2021. This was mainly from increase in trade and other payables, accrued income tax and decrease in lease liabilities.

Total shareholders' equity is Baht 1,749.6 million, slightly decreased 2.5% from the end of 2021 due to dividend paid.

**Cash flow for the nine-month period ended 30 September 2022**

Cash flows receiving from operating activities is Baht 47.6 million, resulted mainly from the Company's operating results. Cash flows using from investing activities is Baht 94.8 million, resulted mainly from the Company's investment in other non-current financial assets and equipment purchase. Cash flows using from financing activities is Baht 168.7 million, which was mainly from dividend paid and paid for lease liabilities principles and interest.

Please be informed accordingly.



Sincerely yours,

*Papitch W.*

**Papitch Wongpaitoonpiya**  
Chief Executive Officer