



บริษัท ริช สปอร์ต จำกัด (มหาชน)

RICH SPORT PUBLIC COMPANY LIMITED

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10 May 2023

Subject: Management's Discussion and Analysis
for the three-month period ended 31 March 2023

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 31 March 2023 as follows:-

Summary of consolidated income statement for the three-month period ended 31 March 2023

Unit : Million Baht

| | Q1 | | |
|---|--------------|--------------|--------------|
| | 2023 | 2022 | Change |
| Revenue from sales | 380.8 | 266.9 | 42.7% |
| Other income | 9.7 | 2.4 | 306.9% |
| Total revenues | 390.5 | 269.3 | 45.0% |
| Cost of sales | 171.3 | 124.2 | 37.9% |
| Selling and administrative expenses | 168.6 | 116.7 | 44.5% |
| Loss (Gain) on disposal and change in value of other current financial assets | (18.3) | (20.5) | -10.6% |
| Profit (loss) before finance costs and income tax expense | 68.9 | 48.9 | 41.1% |
| Finance costs | 2.3 | 1.8 | 27.8% |
| Tax expense (income) | 11.5 | 10.0 | 16.2% |
| Profit (loss) for the period | 55.1 | 37.1 | 48.4% |

Operating result for the three-month period ended 31 March 2023

The Thai economy has continued to gain traction with recovery in tourism and private consumption. Also, export sector has recovered from the contraction in the previous period. The labor market and household income has continued to improve in line with the recovery in economic activity.

The Company had total revenue from sales in 1Q23 of Baht 380.8 million, 42.7% increased from the same period of last year. Total other income is Baht 9.7 million, increased 306.9% from the same period of last year.

The Company's consolidated gross profit is Baht 209.5 million, 46.8% increased from the same period last year. An improvement in Gross Profit Margin from 53.5% to 55.0% was resulted from better management of sales promotion.

Selling and administrative (SG&A) expenses equaled to Baht 168.6 million, 44.5% increase from the same period last year. An increase in SG&A expenses was mainly resulted from the returning to the normal course of business which included in personal, distribution area, marketing, and depreciation. However, the Company has continued to control these expenses according to sales.

The Company recognized loss on change in fair value of other current financial assets equaled to Baht 18.3 million due to increase in price of securities.

The Company's total net profit is Baht 55.1 million with net profit margin of 14.5%.

Summary of consolidated statement of financial position as at 31 March 2023

Unit : Million Baht

| | 31 March 2023 | 31 December 2022 | Change |
|---|----------------|------------------|-------------|
| Cash and cash equivalents | 626.1 | 366.5 | 70.8% |
| Other current financial assets | 564.8 | 748.3 | -24.5% |
| Trade and other receivables | 139.2 | 155.9 | -10.7% |
| Inventories | 380.9 | 347.2 | 9.7% |
| Other current assets | 104.5 | 123.8 | -15.6% |
| Other non-current financial assets | 37.0 | 37.0 | 0.0% |
| Property, plant and equipments | 163.4 | 164.3 | -0.5% |
| Right-of-use assets | 217.0 | 207.8 | 4.4% |
| Other non-current assets | 76.2 | 76.2 | 0.0% |
| Total assets | 2,309.1 | 2,227.0 | 3.7% |
| Trade and other payables | 170.8 | 168.1 | 1.6% |
| Accrued income tax | 23.7 | 13.9 | 70.5% |
| Other current liabilities | 1.8 | 2.8 | -35.7% |
| Lease liabilities | 225.8 | 216.4 | 4.3% |
| Other non-current liabilities | 40.5 | 39.5 | 2.5% |
| Total liabilities | 462.6 | 440.7 | 5.0% |
| Total shareholders' equity | 1,846.5 | 1,786.3 | 3.4% |
| Total liabilities and shareholders' equity | 2,309.1 | 2,227.0 | 3.7% |

The Company's total assets is Baht 2,309.1 million, increased 3.7% from the end of 2022. This is mainly from increase in cash and cash equivalents and inventories and decrease in other current financial assets, trade and other receivables and other current assets.

Total liabilities is Baht 462.6 million, increased 5.0% from the end of 2022. This was mainly from increase in accrued income tax and decrease in other current liabilities.

Total shareholders' equity is Baht 1,846.5 million, slightly increased 3.4% from the end of 2022, resulted from increased in the Company's operation result.

Cash flow for the year ended 31 March 2023

Net cash flows receiving from operating activities is Baht 73.3 million, resulted mainly from the Company's operating results. Net cash flows receiving from investing activities is Baht 198.6 million, resulted mainly from cash received from short-term fixed deposit due, cash received from dividend and equipment and intangible assets purchase. Net cash flows using from financing activities is Baht 17.3 million, this is mainly from paid for lease liabilities principles and interest.

Please be informed accordingly.



Sincerely yours,

Papitch W.

Papitch Wongpaitoonpiya
Chief Executive Officer