

10 August 2023
Bangkok Ranch Public Company Limited
Management Discussion and Analysis
Business overview
For the three-month period ended 30 June 2023

	For the three-month period ended		
	30 June 2023	30 June 2022	Change
	Million Baht	Million Baht	%
Sales	1,905	2,078	(8)
Cost of sales	(1,495)	(1,645)	(9)
Gross profit	410	433	(5)
% Gross profit	22%	21%	
Other income	8	9	(11)
Selling and administrative expenses	(242)	(314)	(23)
Operating profit (loss)	176	128	38
Share of gain (loss) from investments in joint ventures	(1)	3	(133)
Profit (loss) before finance cost and income tax income (expense)	175	131	34
Finance cost	(69)	(51)	35
Income tax income (expense)	(31)	(26)	19
Net profit (loss) for the period	75	54	39
Attributable to non-controlling interests of subsidiaries	2	(1)	300
Net profit (loss) for the period attributable to equity holders of the Company	77	53	45
EBITDA	285	245	16

For the six-month period ended 30 June 2023

	For the six-month period ended		
	30 June 2023	30 June 2022	Change
	Million Baht	Million Baht	%
Sales	3,995	4,156	(4)
Cost of sales	(3,211)	(3,332)	(4)
Gross profit	784	824	(5)
% Gross profit	20%	20%	
Other income	26	15	73
Selling and administrative expenses	(475)	(572)	(17)
Operating profit	335	267	25
Share of gain (loss) from investments in joint ventures	3	4	(25)
Profit before finance cost and income tax income (expense)	338	271	25
Finance cost	(130)	(103)	26
Income tax income (expense)	(63)	(52)	21
Net profit (loss) for the period	145	116	25
Attributable to non-controlling interests of subsidiaries	3	(1)	(400)
Net profit (loss) for the period attributable to equity holders of the Company	148	115	29
EBITDA	542	465	17

The Group's operating results for the three-month and six-month period ended 30 June 2023 showed better operating performance from the same period last year with management strategies working well in response to global economic inflation.

Financial position

	As at		Change %
	30 June 2023 Million Baht	31 December 2022 Million Baht	
Total current assets	2,943	2,738	7
Total non-current assets	8,079	7,884	2
Total assets	11,022	10,622	4
Total current liabilities	5,734	2,872	100
Total non-current liabilities	678	3,342	(80)
Total liabilities	6,412	6,214	3
Total Shareholders' Equity	4,610	4,408	5
Total Liabilities and Shareholders' Equity	11,022	10,622	4

As of 30 June 2023, the Group has total assets of 11,022 million Baht, an increase of 400 million Baht from 31 December 2022, mainly from property plant and equipment along side inventories.

As of 30 June 2023, the Group has total liabilities of 6,412 million Baht, an increase of 198 million Baht from 31 December 2022, mainly due to trade finances from financial institutions.

The company had to reclassify some outstanding balances of long term loans this quarter while waiting for waiver letter from bank.

While total shareholders' equity increased from profit for the six-month period ended 30 June 2023.

Financial Ratios

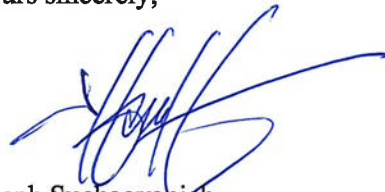
Liquidity Ratios	30 June 2023	31 December 2022
Current Ratio (times)	0.51	0.95
Quick Ratio (times)	0.17	0.45
Activity Ratios	30 June 2023	30 June 2022
Trade and Other Receivables Turnover (times)	6.03	6.43
Average Collection Period (days)	30	28
Fixed Asset Turnover (times)	0.86	0.92
Trade and Other Payables Turnover (times)	5.71	4.94
Average Payment Period (days)	32	36
Cash Cycle (days)	87	72
Inventory Turnover (times)	2.03	2.24
Inventory Turnover Period (days)	89	80
Total Assets Turnover (times)	0.37	0.39
Leverage Ratios		
Interest Coverage (times)	2.68	2.63
	30 June 2023	31 December 2022
Debt / Equity Ratio (times)	1.39	1.41
Profitability Ratios	30 June 2023	30 June 2022
Gross Profit Margin (%)	19.6%	19.8%
Net Profit Margin (%)	3.6%	2.8%
Return on Assets or ROA (%)	3.1%	2.5%
Return on Equity or ROE (%)	3.2%	2.8%

Factors affecting the Group's performance in the future

The global economic uncertainty of bank interest rates, inflation, and high energy cost continue to be factors affecting the performance of the Group. On the other hand, we continue to see positive growth early this year due to successful sales strategies.

With most measures related to Covid-19 lifted especially in Europe; the group still continues to place high importance on taking care of employees and a safe working environment. We strive to continue implementing strict measures on controlling the possible spread of dangerous diseases.

Yours sincerely,



Mr. Joseph Suchaovanich

Chief Executive Officer