



บริษัท ริช สปอร์ต จำกัด (มหาชน)
RICH SPORT PUBLIC COMPANY LIMITED

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Subject: Management's Discussion and Analysis
for the three-month period ended 30 June 2021

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 June 2021 as follows.

Summary of consolidated income statement for the three-month period ended 30 June 2021

Unit : Million Baht

	Q2			For the six-month period ended 30 June		
	2021	2020	Change	2021	2020	Change
Revenue from sales	218.5	147.2	48.4%	446.5	372.9	19.7%
Other income	5.5	1.3	323.1%	13.4	9.8	36.7%
Total revenues	224.0	148.5	50.8%	459.9	382.7	20.2%
Cost of sales	114.7	71.2	61.1%	226.8	171.5	32.2%
Selling and administrative expenses	103.6	97.2	6.6%	214.9	215.8	-0.4%
Loss (Gain) on disposal and change in value of other current financial assets	6.4	(16.2)	-139.5%	(1.6)	26.7	106.0%
Profit (loss) before finance costs and income tax expense	(0.7)	(3.7)	81.1%	19.8	(31.3)	-163.3%
Finance costs	1.4	1.6	-12.5%	2.7	3.9	-30.8%
Tax expense (income)	0.6	(6.3)	-109.5%	4.4	(7.2)	-161.1%
Profit (loss) for the period	(2.7)	1.0	-370.0%	12.7	(28.0)	145.4%

Operating result for the three-month period ended 30 June 2021

The Company's revenue from sales in 2Q21 is Baht 218.5 million, increased 48.4% from the same period last year. Although there was no lockdown in this quarter, revenue from sales was still impacted by the COVID-19 outbreak which continues to spread rapidly across the country.

Other income is Baht 5.5 million, increased 323.1% from the same period last year. This is mainly dividend received from the investment in other current financial assets.

The Company's consolidated gross profit is Baht 103.8 million with gross profit margin of 47.5%. Decrease in gross profit margin was resulted from promotion and campaign to stimulate sales.

Selling and administrative (SG&A) expenses is equaled to Baht 103.6 million, increased 6.6% from the same period last year. Increase in SG&A expenses came from normal business practices, unlike the same period of last year in which the country was under lockdown. The proportion of

SG&A expenses to total revenue from sales is 47.4%. 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 6.4 million. Due to the price of securities that the Company has invested in continued to decrease. Therefore, the fair value of other current financial assets has decreased.

The Company's total net loss is Baht 2.7 million, the net loss margin of 2Q21 is 1.2%.

Operating result for the six-month period ended 30 June 2021

The Company's revenue from sales of the first half of the year 2021 is Baht 446.5 million, increased 19.7% from the same period last year. Although there is no lockdown in this quarter, but revenue from sales was still impacted by the situation of the COVID-19 outbreak continues to spread rapidly and continuously from the beginning of 2021.

Other income is Baht 13.4 million, increased 36.7% from the same period last year. Due to dividend received from the investment in other current financial assets.

The Company's consolidated gross profit is Baht 219.7 million with gross profit margin of 49.2%. The decrease in gross profit margin was resulted from continuous sales promotion and campaign.

Selling and administrative (SG&A) expenses equaled to Baht 214.9 million, close to the same period last year. The proportion of SG&A expenses to total revenue from sales is 48.1%. However, the Company has continued to control the expenses according to the current situation.

The Company recognized gain on change in fair value of other current financial assets equaled to Baht 1.6 million. Due to the price of securities that the Company has invested in continued to improve. Therefore, the fair value of other current financial assets has increased.

The Company's total net profit is Baht 12.7 million, the net profit margin is 2.8%.

Summary of consolidated statement of financial position as at 30 June 2021

Unit : Million Baht

	30 June 2021	31 December 2020	Change
Cash and cash equivalents	516.1	1,014.9	-49.1%
Other current financial assets	779.0	215.1	262.2%
Trade and other receivables	106.1	140.3	-24.4%
Inventories	245.7	260.0	-5.5%
Other current assets	65.1	35.1	85.5%
Property, plant and equipments	140.5	145.8	-3.6%
Right-of-use assets	125.1	163.8	-23.6%
Other non-current assets	68.9	83.0	-17.0%
Total assets	2,046.5	2,058.0	-0.6%
Trade and other payables	82.2	78.3	5.0%
Accrued income tax	4.5	2.2	104.5%
Other current liabilities	3.9	1.1	254.5%
Lease liabilities	141.6	177.9	-20.4%
Other non-current liabilities	43.0	41.7	3.1%
Total liabilities	275.2	301.2	-8.6%
Total shareholders' equity	1,771.3	1,756.8	0.8%
Total liabilities and shareholders' equity	2,046.5	2,058.0	-0.6%

As at 30 June 2021, total assets amounted to Baht 2,046.5 million, decreased by 0.6% from the end of 2020, mainly from increase in other current financial assets and other current assets and decrease in cash and cash equivalents, trade and other receivables and right-of-use assets.

Total liabilities amounted to Baht 275.2 million, decreased 8.6% from the end of 2020, mainly from increased in accrued income tax and other current liabilities and decrease in lease liabilities.

Total shareholders' equity was Baht 1,771.3 million, slightly increased from the end of 2020, resulted from decreased in the Company's operation result.

Cash flow for the six-month period ended 30 June 2021

Cash flows receiving from operating activities amounted to Baht 75.2 million. This is mainly from the Company's operating results. Cash flows using from investing activities amounted to Baht 552.2 million, mainly from investing in other current financial assets and equipment purchase. Cash flows using from financing activities amounted to Baht 23.5 million. This is mainly from paid for lease liabilities principle and interest.

Please be informed accordingly.

Sincerely yours,



Papitch Wongpaitoonpiya
Chief Executive Officer

