

May 12, 2021

President Bakery Public Company Limited would like to submit the report of Management Discussion and Analysis (MD&A) for Operating Result in Q1/2021 ended on March 31, 2021 which has been reviewed by the auditor. The financial statement of the Company, as shown by equity method. The Company would like to clarify such significant changes as below,

### Performance of the Company

(Unit: million Baht)

	Q1/2021	%	Q1/2020	%	Increase (Decrease)	
					Amount	%
Sales	1,581.89	99.15	1,792.91	99.66	(211.02)	(11.77)
Total revenues	1,595.39	100	1,799.04	100	(203.65)	(11.32)
Cost of Sales	843.70	53.33	937.73	52.30	(94.03)	(10.03)
Gross Profit	738.19	46.67	855.18	47.70	(116.99)	(13.68)
Selling and Administrative expenses	382.15	23.95	416.67	23.16	(34.52)	(8.28)
Profit for the period	339.21	21.26	413.32	22.97	(74.11)	(17.93)
Profit for the period (Baht)	0.75		0.92		(0.17)	(18.48)

Remark: Percentage in Statement of comprehensive income derived from total revenues, while percentage of cost of sales and gross profit from sales

## 1. Operating Results

### 1.1 Sales Revenue

The Company recorded total sales of Baht 1,581.89 million and Baht 1,792.91 million in Q1/2021 and Q1/2020 respectively, or decreasing by 11.77%, due to the situation of Covid-19 situation, since early 2020 and seemed to be continued throughout the year of 2021 that affects the overall economy and sales of the company as well.

### 1.2 Cost of Sales

The cost of sales of the Company in Q1/2021 stood at Baht 843.70 million, or decreasing by 10.03% from the same quarter last year. The lower production costs resulted from the lower proportion of sales. As a result, the gross profit margin of the Company stood at 46.67% decreasing from 47.70% in the same quarter last year.

### 1.3 Selling and Administrative Expenses

The selling and administrative expenses in Q1/2021 amounted to Baht 382.15 million, accounting for 23.95% of total revenues, decreasing by 8.28% from the same quarter last year, mainly due to decreasing fuel cost for transportation because the reduced oil consumption, decreasing advertising and sales promotion expenses, including the depreciation decreased from the same quarter of the previous year.

### 1.4 Net Profit

The Company had the net profit of Baht 339.21 million in Q1/2021 ended on March 31, 2021, or decreasing by 17.93% from the same period last year due to lower sales volume. Moreover, the Company has recognized the share of profit from investment in joint venture for the 1<sup>st</sup> quarter of year 2021 in the amount of Baht 1.11 million.

### Financial Position of the Company

(Unit: million Baht)

	March 31, 2021	%	December 31, 2020	%	Increase (Decrease)	
					Amount	%
Total Assets	10,598.22	100	10,298.89	100	299.33	2.91
Total Liabilities	982.84	9.27	1,049.02	10.19	(66.18)	(6.31)
Shareholders' Equity	9,615.38	90.73	9,249.87	89.81	365.51	3.95
Total Liabilities and Shareholders' Equity	10,598.22	100	10,298.89	100	299.33	2.91

## **2. Financial Position**

### **2.1 Assets**

The total assets of the Company as of March 31, 2021 amounted to Baht 10,598.22 million, increasing by Baht 299.33 million from December 31, 2020. Main asset of the Company comprised of current assets by 52.13% of total assets and non-current assets by 47.87% of total assets. The increase in current assets resulted from increasing cash and cash equivalents by Baht 191.30 million and other current financial assets by Baht 284.29 million.

The trade and other receivables of the Company accounted for 6.20% of total assets, decreasing by Baht 89.65 million from 2020 because the most of account receivables were paid on due and lower sales.

In addition, other non-current financial assets of the Company has decreased by Bath 37.30 million baht and decreasing property, plant and equipment by Baht 62.56 million.

### **2.2 Liabilities**

The liabilities of the Company as of March 31, 2021 totaled to Baht 982.84 million, accounting for 9.27% of total Liabilities and Shareholders' Equity and decreasing by 6.31% from December 31, 2020, due to decreasing trade and other payables and accrued expenses. As a result, the debt to equity ratio of the Company was at 0.10 lower from 0.11 as of December 31, 2020.

### **2.3 Shareholders' Equity**

The Shareholders' Equity of the Company as of March 31, 2021 amounted to Baht 9,615.38 million, accounting for 90.73% of Liabilities and Shareholders' Equity and increasing by Baht 365.51 million from December 31, 2020, resulting from the operating profits. Other components of the Shareholders' Equity, increasing by Baht 11.24 million, due to gain from the fair value measurement of financial assets as at the end of the period. As a result, the book value of the Company stood at 21.37 Baht per share, increasing from 20.56 Baht per share in 2020.

### 3. Liquidity Position

The net cash from operating activities of the Company in Q1/2021 ended on March 31, 2021 amounted to Baht 455.87 million, increasing by Baht 50.26 million or by 9.93% from the same quarter last year

The net cash used in investing activities totaled to Baht 261.81 million, increasing by Baht 68.83 million, due to the increased in investment in financial assets from the same quarter last year and purchased plots of land for the construction 1 distribution center.

The net cash used in financing activities totaled to Baht 2.75 million, deceasing by Baht 7.80 million, due to decreasing liability from the financial lease because agreement being matured.

As a result, the Company recorded cash and cash equivalents of Baht 559.66 million as of March 31, 2021, increasing by Baht 191.30 million.

As of March 31, 2021, the Company maintained the current ratio at 6.48, and the average days sales at 1 day. Meanwhile, the average days of debt collection of the Company stood at 39 days, and the average days of debt repayment was at 72 days. As a result, the cash cycle of the Company was at 32 days.

This is to be informed for your acknowledgement

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(Ms. Petcharat Anantawichai)

Director and Senior Management Accounting Department  
and Finance Department Manager

Company Secretary