

11 August 2025

Re: MD&A for the three-month and six-month periods ended 30 June 2025

To the President
The Stock Exchange of Thailand

Chic Republic Public Company Limited (the “**Company**”) would like to submit the reviewed financial information for the three-month and six-month periods ended 30 June 2025 and provide our Management Discussion and Analysis (MD&A) as following details:

Consolidated Statement of Comprehensive Income	Million Baht							Change Inc (Dec) YoY
	Q2 2025	Q1 2025	Q2 2024	Change Inc (Dec)		1H 2025	1H 2024	
				QoQ	YoY			
Merchandise sales revenue	97.40	107.24	102.65	(9.84)	(5.25)	204.65	213.89	(9.24)
Project-based revenue	31.79	24.61	26.16	7.19	5.63	56.40	49.86	6.54
Service revenue	11.77	12.66	10.83	(0.89)	0.94	24.43	22.31	2.12
Other revenue	1.73	0.76	1.85	0.97	(0.12)	2.49	5.49	(3.00)
Total revenues	142.70	145.27	141.49	(2.57)	1.20	287.97	291.55	(3.58)
Cost of sales and service	56.00	52.40	53.19	3.60	2.81	108.14	103.25	4.89
Gross profit	84.98	92.11	86.46	(7.13)	(1.48)	177.34	182.81	(5.47)
Selling expenses and administrative expenses	92.03	96.75	86.77	(4.72)	5.26	189.03	170.46	18.57
EBIT	(5.33)	(3.88)	1.53	(1.45)	(6.86)	(9.20)	17.83	(27.03)
Profit (loss) for the period	(12.81)	(12.48)	(4.22)	(0.33)	(8.59)	(25.29)	1.91	27.20
EPS (THB)	(0.0092)	(0.0081)	(0.0030)			(0.0177)	0.0016	

Total revenues for the three-month period ended 30 June 2025 and 2024 amounting to Baht 142.70 million and Baht 141.49 million, respectively. Total revenues for the six-month periods ended 30 June 2025 and 2024 amounting to Baht 287.97 million and Baht 291.55 million, respectively. Sources of operating revenue are attributable as follows:

Operating Performance Analysis for the Three-Month Period Ended 30 June 2025 and Three-Month Period Ended 31 March 2025 (QoQ)

Total revenues for the three-month period ended 30 June 2025 decreased by Baht 2.57 million when compared to the three-month period ended 31 March 2025 due mainly from the following revenues:

- Revenue from sales of merchandise in stores and online sales decreased but revenue from interior design increased due to project delivered in this quarter.
- Project-based revenue increased in line with the number of projects and delivery value during the period.
- Service income decreased. Although there was an increase in revenue from rental shops with higher sales and new rental shops at the Phuket branch, as well as an increase in revenue from display arrangement services, other service fees decreased.

Cost of sales and service for the three-month period ended 30 June 2025 amounting to Baht 56.00 million, increased by Baht 3.60 million when compared to the three-month period ended 31 March 2025, in line with increased revenue from project work.

Gross profit for the three-month period ended 30 June 2025 amounting to Baht 84.98 million, decreased by Baht 7.13 million when compared to the three-month period ended 31 March 2025 inversely correlated with the increase in project revenue and costs.

Selling and administrative expenses for the three-month period ended 30 June 2025 amounting to Baht 92.03 million, representing a decrease of Baht 4.72 million when compared to the three-month period ended 31 March 2025, mainly due to lower employee expenses due to the closure of two subsidiaries. Promotional expenses decreased from content production costs for marketing channels were incurred in the first quarter. Transportation and warehouse management expenses decreased as relocation-related expenses occurred in the first quarter.

Finance costs for the three-month period ended 30 June 2025 amounting to Baht 8.48 million, an increase of Baht 0.10 million when compared to the three-month period ended 31 March 2025, mainly due to interest expenses on loans increased due to an increase in loans whilst interest expenses on lease liabilities decreased from lease payment were made during the period.

Overall, the Company reported a net loss of Baht 12.81 million for the three-month period ended 30 June 2025, reflecting its operating performance during the period.

Operating Performance Analysis for the Three-Month Period Ended 30 June 2025 and Three-Month Period Ended 30 June 2024 (YoY)

Total revenues for the three-month period ended 30 June 2025 increased by Baht 1.20 million when compared to the three-month period ended 30 June 2024 due mainly from revenue from sales of merchandise in stores decreased, partially due to the closure of the Cambodia branch. However, branches in Thailand and online sales channels revenue increased. Project-based revenue increased, driven by the number and value of projects delivered in each period. Service revenue increased, mainly from higher rental income and related services due to new rental shops at the Phuket branch, along with an increase in revenue from design services and other services.

Cost of sales and service for the three-month period ended 30 June 2025 increased by Baht 2.81 million when compared to the three-month period ended 30 June 2024, while gross profit decreased by Baht 1.48 million, consistent with the increase in Project-based revenue.

Selling and administrative expenses for the three-month period ended 30 June 2025 amounting to Baht 92.03 million, representing an increase of Baht 5.26 million when compared to the three-month period ended 30 June 2024, mainly due to higher employee expenses increased primarily from salary and commission of the stores. Utility, cleaning and security costs increased due to increased expenses at the Phuket branch, which opened in late 2024. Warehouse management expenses decreased as relocation-related expenses occurred in the first quarter. Loss on disposal of unused assets.

Finance cost for the three-month period ended 30 June 2025 amounting to Baht 8.48 million increased by Baht 2.48 million when compared to the three-month period ended 30 June 2024 due to interest expenses on loans increased due to an increase in loans and interest on lease liabilities increased from addition new warehouse lease agreement, partially offset by lower lease expenses from the termination of the Cambodia branch lease.

Overall, the Company reported a net loss of Baht 12.81 million for the three-month period ended 30 June 2025, reflecting its operating performance during the period.

Performance Analysis for the Six-Month Period Ended 30 June 2025 and Six-Month Period Ended 30 June 2024 (YoY)

Total revenue for the six-month period ended 30 June 2025 decreased by Baht 3.58 million when compared with the six-month period ended 30 June 2024 due mainly to revenue from sales of merchandise in stores decreased, partially due to the closure of the Cambodia branch, which resulted in Baht 9.84 million drop in revenue. However, branches in Thailand and online sales increased by Baht 4.39 million. Project-based revenue increased, driven by the number and value of projects delivered in each period. Service revenue increased, mainly from higher rental income and related services due to new rental shops at the Phuket branch, along with an increase in revenue from design services and other services.

Cost of sales and service during the six-month period ended 30 June 2025 increased by Baht 4.89 million when compared with the six-month period ended 30 June 2024 which was in line with increase in Project-based revenue.

Gross profit for the six-month period ended 30 June 2025 decreased by Baht 5.47 million when compared with the six-month period ended 30 June 2024 as higher project costs led to a reduction in gross profit.

Selling and administrative expenses for the six-month period ended 30 June 2025 amounting to Baht 189.03 million, representing an increase of Baht 18.57 million when compared to the six-month period ended 30 June 2024 due mainly to employee expenses increased from headcount at the Thailand branches, while the Cambodia branch decreased following its closure. Promotional expenses increased from marketing campaigns and media production. Higher transportation costs driven by rising fuel prices. Utility, cleaning and security costs increased due to increased expenses at the Phuket branch and new warehouse. Loss on disposal of unused assets.

Finance cost for the six-month period ended 30 June 2025 amounting to Baht 16.87 million increased by Baht 4.60 million when compared to the six-month period ended 30 June 2024 due to interest expenses on loans increased due to an increase in loans and interest on lease liabilities increased from addition new warehouse lease agreement, partially offset by lower lease expenses from the termination of the Cambodia branch lease.

Overall, the Company reported a net loss of Baht 25.29 million for the six-month period ended 30 June 2025, reflecting its operating performance during the period.

Analysis of Consolidated Statement of Financial Position

Consolidated Statement of Financial Position	As at 30 June 2025	As at 31 December 2024	Change	
	Million Baht	Million Baht	Million Baht	%
Total assets	1,850.05	1,868.50	18.45	0.99
Total liabilities	1,053.48	1,048.68	4.80	0.46
Total shareholders' equity	796.57	819.82	(23.25)	(2.84)

Total assets at the consolidated financial statements as at 30 June 2025 amounting to Baht 1,850.05 million, a decline by Baht 18.45 million from 31 December 2024 are mainly from:

- A reduction in cash and cash equivalents resulting from branch renovation payments for the Phuket branch, purchases of equipment, computers, and warehouse software, as well as drawdowns and repayments of both short-term and long-term borrowings and lease payments under lease agreements.
- An increase in inventories due to project-related products pending installation and new products introduced for retail sales.
- A decrease in building and equipment, and right-of-use assets, reflecting construction payments and vehicle lease costs for use in the Phuket branch and warehouse amounting to Baht 25.31 million, along with depreciation charges for the six-month period of Baht 50.63 million.

Total liabilities at the consolidated financial statements as at 30 June 2025, amounting to Baht 1,053.48 million, representing an increase of Baht 4.80 million from 31 December 2024 due to

- A decrease in trade and other payables resulting from payments for products and various expenses.
- Drawdowns of borrowings totaling Baht 79.25 million and repayments of borrowings totaling Baht 36.35 million under loan agreements.
- Lease payments amounting to Baht 15.62 million under lease agreements.

Total equity at the consolidated financial statements as at 30 June 2025, amounting to Baht 796.57 million, a decrease of Baht 23.25 million from 31 December 2024 due to operating losses for the six-month period.

Ms. Piyanuch Nakayodhin

CFO, Chic Republic Public Company Limited