

23 February 2026

Re: MD&A for the year ended 31 December 2025

To the President

The Stock Exchange of Thailand

Chic Republic Public Company Limited (the “**Company**”) would like to submit the audited financial statements for the year ended 31 December 2025 and provide our Management Discussion and Analysis (MD&A) as following details:

Consolidated Statement of Comprehensive Income	31 December 2025 Million Baht	31 December 2024 Million Baht	Change	
			Million Baht	%
Merchandise sales revenue	435.05	439.26	(4.21)	(0.96)
Project-based revenue	119.27	97.68	21.59	22.10
Service revenue	50.05	46.25	3.80	8.22
Other revenue	13.60	9.26	4.34	46.87
Total revenues	617.97	592.45	25.52	4.31
Costs of sales and service	235.39	218.88	16.51	7.54
Gross profit	368.98	364.31	4.67	1.28
Selling expenses and administrative expenses	361.64	373.62	(11.98)	(3.21)
EBIT	20.95	(0.05)	20.90	41,800
Profit (loss) for the year	(9.07)	(28.50)	19.43	68.18
Earnings per share (Baht)	(0.006)	(0.020)		

Total revenues for year 2025 amounting to Baht 617.97 million, increased by Baht 25.52 million compared to 2024 due mainly from the following revenues:

- Merchandise sales revenue from in-store sales and interior design services decreased by Baht 14.44 million, partly due to the closure of the Cambodian branch, resulting in decrease in revenue amounting to Baht 19.58 million. However, revenue from online sales increased by Baht 10.24 million
- Project-based revenue increased by Baht 21.59 million due to the number of projects and delivery value delivered during the year.
- Service income increased from rental revenue increased due to higher sales at leased stores and new rental tenants during the year.
- Other income increased due to compensation received from the earthquake.

Cost of sales and service for year 2025 amounting to Baht 235.39 million, increased by Baht 16.51 million compared to 2024, consistent with the increase in revenue from sales of goods and services.

Gross profit for year 2025 amounting to Baht 368.98 million, increased by Baht 4.67 million compared to 2024 due to more efficient project management and cost management.

Selling and administrative expenses for 2025 amounted to Baht 361.64 million, representing a decrease of Baht 11.98 million from the prior year. The reduction was mainly attributable to lower promotional expenses following a scale-down of marketing activities, as well as changes in personnel-related costs. These included expenses associated with the opening of the Phuket branch in December 2024 and compensation paid to employees in the design and interior decoration department. In contrast, expenses at the Cambodia branch declined by Baht 1.72 million due to its closure. Transportation expenses increased due to higher shipment volumes to provincial areas and additional costs related to the warehouse relocation in February 2025. Warehouse management expenses decreased following a change in the service contract, under which the new arrangement - providing management services without location rental fees resulted in reduced service rates. A loss of Baht 1.32 million was recognized from the disposal of unused assets. In 2024, the Cambodia branch's early termination of its lease agreement led to the recognition of an impairment loss of Baht 10.77 million, the write-off of rental deposits totaling Baht 1.55 million, and the write-off of non-refundable deposits amounting to Baht 1.73 million. Additionally, an allowance for doubtful accounts of Baht 50.57 million related to the Cambodia branch had previously been recorded and was eliminated from the consolidated financial statements.

Finance costs for 2025 amounted to Baht 33.18 million, an increase of Baht 7.04 million compared to 2024. The increase was primarily due to higher interest expenses from additional borrowings and higher lease interest expenses from the Phuket branch and the warehouse. However, lease interest expenses related to the Cambodia branch decreased following the termination of its lease agreement.

Net loss improved during the year as a result of higher total revenue of Baht 25.52 million and the closure of the two subsidiaries, which contributed to better operating performance. The net loss decreased from Baht 28.50 million in the prior year to Baht 9.07 million in 2025, of which Baht 5.60 million was attributable to the subsidiaries.

## Analysis of Consolidated Statement of Financial Position

Consolidated Statement of Financial Position	31 December 2025	31 December 2024	Change	
	Million Baht	Million Baht	Million Baht	%
Total assets	1,822.05	1,868.50	(46.45)	(2.49)
Total liabilities	1,007.81	1,048.68	(40.87)	(3.90)
Total shareholders' equity	814.24	819.83	(5.59)	(0.68)

Total assets in the consolidated financial position as at 31 December 2025 amounting to Baht 1,822.05 million, representing a decrease of Baht 46.45 million compared with 31 December 2024. The principal factors contributing to this change were:

- A decrease in cash and cash equivalents resulting from payments for the decoration costs of the Phuket branch and the new coffee shop building, purchases of equipment, computers, and software for the warehouse, as well as drawdowns and repayments of short-term and long-term borrowings, and lease payments.
- An increase in trade and other receivables, mainly due to higher project-related receivables and accrued income.
- A decrease in property, plant and equipment and right-of-use assets, reflecting construction payments, vehicle lease arrangements for the Phuket branch and warehouse, and the renewal of the Ramindra area lease totaling Baht 21.35 million, as well as depreciation and amortisation expenses for the year amounting to Baht 95.34 million.

Total liabilities as of 31 December 2025 amounted to Baht 1,007.81 million, a decrease of Baht 40.87 million from 31 December 2024. The major contributing factors were:

- A reduction in trade and other payables following payments for merchandise, the Phuket branch decoration costs, and other operating expenses.
- Borrowings drawn down totaling Baht 82.76 million and repayments under loan agreements amounting to Baht 66.43 million.
- Lease payments totaling Baht 17.82 million, together with the execution of new vehicle lease contracts for warehouse operations and the renewal of the Ramindra area lease totaling Baht 3.19 million.

Total shareholders' equity in the consolidated financial position as at 31 December 2025 amounted to Baht 814.24 million, a decrease of Baht 5.59 million compared with 31 December 2024. The decline resulted from the Company's operating loss for the year and a decrease in non-controlling interests in line with the subsidiary's performance.

## Financial Ratio

<b>Financial Ratio</b>	<b>Unit</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
<b>Liquidity Ratio</b>			
Liquidity Ratio	Times	0.88	0.78
<b>Profitability Ratio</b>			
Gross margin	%	61.05	62.47
Net profit	%	(1.47)	(4.80)
Return on Assets	%	(0.49)	(1.64)
Return on Equity	%	(1.11)	(3.41)
<b>Leverage Ratio</b>			
Debt to Equity ratio	Times	1.24	1.28
Interest Coverage Ratio	Times	1.41	3.81

As at 31 December 2025 the Company' liquidity ratio improved compared to the previous year. Profitability also improved due to better operating results, although the Company still incurred losses. This was partly due to losses from subsidiaries that were closed down in 2025. The debt to equity ratio decreased due to the drawdown of loans during the year in addition to the repayment of loans according to the loan agreements.

## **Factors that may affect Chic's financial status or performance in the future**

The Company viewed that the following factors that could affect its financial position or business operations in the future

### **Fluctuation of foreign currencies**

The Company imported certain products from overseas resulting to the Company settled the products cost by foreign currencies. The fluctuation of exchange rate is negative, may affect to its cost of sales and operating results.

However, the Company has risk management policy in term of fluctuation of foreign currencies by entering into forward contracts to mitigate risk from fluctuation of foreign currencies in certain period. In addition, the Company closely monitors news and trends of foreign currencies by the Finance Manager to assess the situation and find ways to hedge against potential risks. In the past, the impact of exchange rates was not significant to the Company's operating results.

Ms. Piyanuch Nakayodhin

Chief Financial Officer

Chic Republic Public Company Limited