

26 July 2022

Re: Management Discussion & Analysis (MD&A) for the 3-Month Period Ended 31 March 2022

To the President of the Stock Exchange of Thailand

Chic Republic Public Company Limited ("**the Company**") would like to provide our MD&A based on the 3-month reviewed financial statements ended 31 March 2022 as follows:

Consolidated Income Statement	Consolidated Financial Statements for the 3-Month Period Ended		Change	
	31 March 2021	31 March 2022	Millions of THB	%
	Millions of THB	Millions of THB		
Total revenue	146.32	217.56	71.24	48.69
Merchandise sales and service revenue	143.39	217.14	73.75	51.43
Cost of sales and service	57.85	116.91	59.06	102.09
Gross profit	85.54	100.23	14.69	17.17
Earnings before interest and tax	13.31	27.73	14.42	108.34
Net profit for the period	5.56	14.71	9.15	164.57
EPS (THB)	0.006	0.015	0.008	133.33

Consolidated Statement of Financial Position	Consolidated Financial Statements		Change	
	as at		Millions of THB	%
	31 December 2021	31 March 2022		
	Millions of THB	Millions of THB		
Total assets	1,835.66	1,849.59	13.93	0.76
Total liabilities	1,231.12	1,231.83	0.71	0.06
Total shareholders' equity	604.54	617.76	13.22	2.19

Total revenue for the 3-month period ended 31 March 2022 rose by THB 71.23 million or 48.68% from the same period of 2021. Merchandise sales and service revenue for the 3-month period ended 31 March 2022 rose by THB 73.75 million or 51.43% from the same period of 2021. The Company's total revenue and merchandise sales and service revenue rose in response to its rising sales and service revenue via both physical store and online channels. As the domestic Covid-19 pandemic subsided and the government no longer shut down physical store operations of domestic businesses, clients return to shop at the Company's stand-alone stores. As the government no longer halted construction activities in all construction sites in Bangkok, the Company was thus able to continuously perform and deliver its furniture-installation works.

The Company's gross profit for the 3-month period ended 31 March 2022 rose by THB 14.69 million or 17.17% from the same period of 2021 due to rising merchandise sales and service revenue. Gross profit margin however declined due to shrinking average gross profit margin of project-based works. Thanks to domestic Covid-19 situation which has caused more intensifying competition during the project bidding process, average gross profit margin of project-based works fell.

Selling expense for the 3-month period ended 31 March 2022 rose by THB 3.81 million or 10.19% from the same period of 2021 due mainly to increasing personnel expense associated with salary adjustment in 2022. Sales promotional and marketing expense as well as transportation cost also rose in response to its rising sales and service revenue. Cost of platform merchandise sales rose as online sales increased.

Administrative expense for the 3-month period ended 31 March 2022 fell by THB 6.08 million or 16.10% from the same period of 2021 as the Company did well in controlling utilities, security and cleaning expenses by cutting its unnecessary staffs. The Company deems that this did not affect its service quality. Some of its bad debt allowances was reversed as some of which could be re-collected.

Net profit for the 3-month periods ended 31 March 2021 and 2022 stood at THB 5.56 and 14.71 million respectively. Net profit for the 3-month period ended 31 March 2022 rose by THB 9.15 million or 164.57% from the same period of 2021. Net profit margin for the 3-month periods ended 31 March 2021 and 2022 stood at 3.80% and 6.76% consecutively. EPS for the 3-month periods ended 31 March 2021 and 2022 stood at THB 0.006 and 0.014 respectively.

Total assets as at 31 March 2022 rose insignificantly by THB 13.93 million from 31 December 2021 due to rising amount of AR and other receivables in response to continuous delivery of project-based works during the first 3 months of 2022.

Total liabilities as at 31 March 2022 rose insignificantly by THB 0.71 million from 31 December 2021.

Total shareholders' equity as at 31 March 2022 rose insignificantly by THB 13.22 million from 31 December 2021. The Company recognized a comprehensive income during the first 3 months of 2022 and no dividend payment was made during the period.

Please be informed accordingly.

Miss Piyanuch Nakayodhin

Chief Financial Officer

Chic Republic Public Company Limited