

13 May 2024

Re: MD&A for the three-month period ended 31 March 2024

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 period ended 31 March 2024 and provide our Management Discussion and Analysis (MD&A) as following details:

Consolidated Statement of Comprehensive Income	31 March 2024 Million Baht	31 March 2023 Million Baht	Change	
			Million Baht	%
Merchandise sales revenue	109.68	110.62	(0.94)	(0.85)
Project-based revenue	25.25	28.44	(3.19)	(11.21)
Service revenue	11.48	10.11	1.37	13.55
Other revenue	3.64	0.67	2.97	443.28
Total revenues	150.05	149.84	0.21	0.14
Costs of sales and service	50.06	59.83	(9.77)	(16.33)
Gross profit	96.35	89.34	7.01	7.85
Selling expenses and administrative expenses	83.70	82.29	1.41	1.71
EBIT	16.29	7.71	8.58	111.28
Profit for the year	6.13	0.79	5.34	675.95
Earnings per share (Baht)	0.0045	0.0006	0.0039	675.95

Total revenues for the three-month period ended 31 March 2024 amounting to Baht 150.05 million, increased by Baht 0.21 million or 0.14% when compared to the three-month period ended 31 March 2023 due mainly from the following revenues:

- Merchandise sales revenue from store sales decreased but revenue from sales through online has increased.
- Project-based revenue decreased but interior design service revenue increased as the number of projects and delivery value during the period.
- Service income increased from rental revenue, utilities revenue with increased in sales and new rental tenants during 2023.

Cost of sales and service for the three-month period ended 31 March 2024 amounting to Baht 50.06 million, decreased by Baht 9.77 million when compared to the three-month period ended 31 March 2023, consistent with the decrease in sales revenue.

Gross profit for the three-month period ended 31 March 2024 amounting to Baht 96.35 million, increased by Baht 7.01 million when compared to the three-month period ended 31 March 2023 due to effective control of project costs, resulting in good profit.

Selling and administrative expenses for the three-month period ended 31 March 2024 amounting to Baht 83.70 million, increased by Baht 1.41 million when compared to the three-month period ended 31 March 2023, mainly due to an increase in employee expenses from an increased number of employees and spending on traveling abroad increased from business trips and factory visits including meeting with various manufacturers to purchase products for sale. In addition, promotional expenses increased from marketing activities including spending public relations expenses to promote and create brand awareness through online channels. Electricity decreased from using of Solar during mid of 2023.

Financial costs for the three-month period ended 31 March 2024 amounting to Baht 6.27 million, decreased by Baht 0.59 million when compared to the three-month period ended 31 March 2023, mainly due to repayments of short-term and long-term loans including payment of liabilities under lease.

Net Profit for the three-month period ended 31 March 2024 amounting to Baht 6.13 million, increased by Baht 5.34 million when compared to the three-month period ended 31 March 2023, mainly due to operating profit and good profit from project-based work.

Analysis of Consolidated Statement of Financial Position

Consolidated Statement of Financial Position	As at 31 March 2024	As at 31 December 2023	Change	
	Million Baht	Million Baht	Million Baht	%
Total assets	1,609.41	1,614.87	(5.46)	(0.34)
Total liabilities	756.86	765.57	(8.71)	(1.14)
Total shareholders' equity	852.54	849.30	3.24	0.38

Total assets as at 31 March 2024 amounting to Baht 1,609.41 million, a decline by Baht 5.46 million from 31 December 2023 are mainly from:

- Cash and cash equivalents increased by Baht 6.88 million are mainly from cash from operating activities and receipt of long-term loan amounting to Baht 37.80 million and payments of loans and lease liabilities.
- Building and equipment decreased by Baht 7.42 million came from store renovation, acquisition of office equipment and computer program amounting to Baht 7.82 and recognition of depreciation for the period amounting to Baht 14.58 million.
- Right-of-use assets increased by Baht 27.17 million are mainly from recognition of land lease agreement at Phuket amounting to Baht 35.36 million and recognition of amortization for the period amounting to Baht 9.13 million.

Total liabilities as at 31 March 2024 amounting to Baht 756.86 million, decreased by Baht 8.71 million from 31 December 2023 are mainly from:

- Trade and other payables decreased from settlements of costs related to project-based works.
- During the period, the Company received a long-term loan amounting to Baht 37.80 million.
- Repayments of short-term loans amounting to Baht 22.71 million and long-term loans amounting to Baht 14.36 million.
- Lease liabilities increased by Baht 16.85 million from recognition of lease liability from a land lease agreement at Phuket amounting to Baht 35.36 million and payments made for lease liabilities amounting to Baht 18.51.

Total shareholders' equity as at 31 March 2024 amounting to Baht 852.54 million, increased by Baht 3.24 million from 31 December 2023 are mainly from profit for the period.

Financial Ratio

Financial Ratio	Unit	31 March 2024	31 December 2023
Liquidity Ratio			
Liquidity Ratio	Times	1.10	1.06
Profitability Ratio			
Gross margin	%	65.81	53.82
Net profit	%	4.09	2.06
Return on Assets	%	1.52	0.86
Return on Equity	%	2.88	1.69
Leverage Ratio			
Debt to Equity ratio	Times	0.89	0.90
Interest Coverage Ratio	Times	2.60	1.98

As at 31 December 2023 the Company had liquidity ratio increased from last year and gross margin increased, resulting in increase in the profitability ratio. Debt to Equity ratio decreased from repayments of loans according to the loan agreements.

Ms. Piyanuch Nakayodhin

Deputy Managing Director and Head of Accounting and Finance

Chic Republic Public Company Limited