

# CENTRALRETAIL

CRC IR 002/2026

**Re: Management Discussion and Analysis (MD&A) for the three-month ended 31 March 2026**

**To: President**

**The Stock Exchange of Thailand**

13 May 2026

Central Retail Corporation Public Company Limited (“the Company” or “CRC”) would like to clarify Management Discussion and Analysis for the operating results for three-month ended 31 March 2026.

Please be informed accordingly.

Yours Sincerely,

*-Signature-*

(Mr. Panet Mahankanurak)

Chief Financial Officer

Central Retail Corporation Public Company Limited

## Business Overview and Performance Summary

Thailand's economy in the first quarter of 2026 is expected to experience moderate growth amid ongoing pressures from both domestic and external factors. Growth remained subdued, reflecting heightened geopolitical tensions, particularly in the Middle East, which resulted in higher energy and input costs, pressure on the manufacturing and export sectors, and a softening in private consumption in line with declining purchasing power. In addition, tourism-related income declined, reflecting a decrease in foreign tourist arrivals, which stood at approximately 9.2 million, representing a 2.3% decrease compared to the same period of the previous year. Nevertheless, the Thai economy continued to be supported by an improvement in private investment, a reduction in the policy interest rate, and an expansion in government expenditure.

Meanwhile, Vietnam's economy expanded by 7.8% year-on-year in the first quarter of 2026 (according to the General Statistics Office of Vietnam), driven by robust domestic demand, reflecting strong performance across the industrial, construction, and services sectors during the Lunar New Year (Tet) holiday period. In addition, foreign tourist arrivals reached approximately 6.76 million, representing a 12.4% increase compared to the same period of the previous year.

However, both the Thai and Vietnamese economies continue to face global economic uncertainty and energy-related risks, which may lead to supply chain disruptions and upward pressure on the cost of living and inflation. These factors continue to be closely monitored.

## Business Situation in Q1 2026

- **Thailand:** Total sales in Thailand grew by 2% year-on-year in the first quarter of 2026, despite a high base in the same period last year due to the government's Easy E-Receipt 2025 program, which allowed consumers to claim tax deductions of up to THB 30,000 on purchases of goods and services. The program was not implemented in 2026. For the first quarter, the Company expanded Thaiwatsadu in Rattana Thibet, TOPS Supermarket, TOPS DAILY, and specialty stores along with renovations across various business units. Under its Omnichannel strategy, the Company continues to develop and enhance its efficiency of its Digital Channel (Online) and O2O channel (Offline to online). Online sales accounted 10% of total sales in Thailand in Q1 2026.
- **Vietnam:** Total sales in Vietnam in Q1 2026 (in Vietnamese Dong) grew by 13% compared to the same period last year, driven by strong consumption during the Tet (Lunar New Year) holiday period. (When translated into Thai Baht, sales increased by 1% year on year, due to foreign exchange rate fluctuations). In the first quarter, the Company launched one go! at Cu Chi. In addition, the renovations of 2 GO! malls and hypermarkets at Thanglong and Dongnai were completed in the fourth quarter of 2025. Online sales accounted 6% of total sales in Vietnam in Q1 2026.

## Significant Sustainability Developments in Q1 2026

The Company remains committed to its “Retail and Wholesale for All” commitment, striving to be a retail and wholesale organization that focuses on meaningful growth and grows together with all stakeholders under its **CRC Care** philosophy across seven dimensions: Care for the Economy, Customer, Partner, People, Community, Environment, and Governance, with the objective of achieving Net Zero by 2050. Moreover, the Company improved its FTSE Russell ESG Score from 3.8 to 4.2, ranking second in its subsector.

### Sustainability initiatives across various dimensions are as follows:

- **Environmental Dimension:** The Company remains committed to advancing its **ReNEW** strategy toward the Net Zero goal through various initiatives:
  - **Reduce Greenhouse Gas Emissions:** The Company continues to implement multi-dimensional energy efficiency measures including the installation of rooftop solar systems at 181 locations, generating 204,818 megawatt-hours of electricity per year, representing 23% of the group's total electricity consumption, and reducing carbon emissions by 102,389 tons annually. Furthermore, the company has implemented a Chiller Plant Manager System (CPMS) and Energy Management Information System (EMIS) in 15 shopping malls across Thailand and Vietnam to monitor energy consumption in real-time (As of the end of 2025, the Company’s greenhouse gas emissions amounted to 2,518,687 tons of CO<sub>2</sub> equivalent per year.)
  - **Navigate Environmental Responsibility:** The Company has transitioned toward a more electrified fleet, currently operating 144 electric delivery trucks and forklifts, resulting in a reduction of 1,023,209 liters of diesel consumption per year. In addition, Thaiwatsadu and BnB Home have strengthened their green logistics operations by deploying jumbo 4-wheelEV Trucks to enhance their delivery services. This deployment helps mitigate risks associated with fuel price volatility and reduces long-term maintenance costs, with a target reduction of approximately 930,000 liters of diesel consumption per year and a decrease in greenhouse gas emissions equivalent to 2,550 tons of CO<sub>2</sub> per year.
  - **Eco-friendly Materials:** In Vietnam, the Company has implemented the replacement of single-use plastic bags and Private Label product packaging with biodegradable packaging to reduce single-use plastic consumption and promote environmentally friendly shopping environment.
  - **Waste Management Solutions:** In Vietnam, the Company has deployed 78 Reverse Vending Machines (RVM) across 44 GO! malls and hypermarkets to encourage consumer participation in recycling in a convenient and rewarding manner. Customers to return plastic bottles and aluminum cans in exchange for shopping incentives, helping promote environmentally responsible behavior while reducing landfill waste.
- **Social Dimension:** The Company continues to uphold its commitment to the CRC Care philosophy under “Retail and Wholesale for All”, which focuses on improving the quality of life among all stakeholders through the following key initiatives:
  - TOPS has collaborated with Government Savings Bank and the Science Park of Ubon Ratchathani University to drive its SME platform “TOPS TONGTIN” through the event “Open House: TOPS TONGTIN – Discover the Best of Local SMEs”. The program provides opportunities for community enterprises and SMEs from all four regions of Thailand to bring quality local products onto modern trade shelves nationwide. It

also includes knowledge-sharing programs designed to enhance entrepreneurs' capabilities and support their long-term competitiveness

- Power Buy has collaborated with the Autistic Thai Foundation, True Plookpanya, and a network of public and private sector partners to launch the "Developing the Potential of Children with Autism through Digital Technology" project. This initiative delivered digital learning equipment and resources to 131 learning centers across 54 provinces nationwide, supporting the development of a long-term learning foundation tailored to children with special needs and their families.
- **Governance Dimension:** In the first quarter, the Company focused on strengthening its corporate governance framework by addressing gaps identified through internal and external corporate government and sustainability assessments. The Company identified key material governance areas and implemented structured corrective action plans to align its governance practices with internationally recognized standards and best practices. In addition, the Company, in collaboration with Central Food Retail, CRC Thaiwatsadu, and Power Buy, were certified as members of the Thai Private Sector Collective Action Against Corruption (CAC) on March 31, 2026, with a membership term of three years. In 2026, the Company, together with Central Trading also declared its intention to join the CAC program in February and submitted the required documentation for consideration by December 2026, with the certification results are expected to be announced in April 2027.

In this quarter, the Company and its affiliates received accolades for business excellence and sustainability, including a ranking in Fortune 100 Best Companies to Work For™ Southeast Asia 2025, organized by Fortune in collaboration with Great Place to Work®. The Company was also honored with the "Best Green Bond – Thailand" award at The Asset Triple A Sustainable Finance Awards 2026, organized by The Asset, as well as the "Best Cross Border M&A Deal of the Year (Thailand) 2025" from Alpha Southeast Asia. In addition, Central Department Store earned an award from the "2025–2026 Thailand's Most Admired Brand/Company" event, held under the theme "REGENOVATE: Driving Innovation for a Sustainable Business Ecosystem", organized by BrandAge magazine in collaboration with Khon Kaen University, a network of leading universities nationwide, and Ocean Sky Network, the developer of MANDALA AI. The results are based on a nationwide survey of over 1,600 consumers across 12 categories and 107 segments. Meanwhile, GO WHOLESALE earned the Outstanding Brand of the Year award at the 2025 Asia CEO Summit & Award Ceremony, reflecting strong trust from both entrepreneurs and consumers, while reinforcing its key role in continuously driving the local economy.

### Key Business Developments Q1 2026

The Company has undertaken a strategic portfolio realignment, focusing on expanding its presence in high-growth core markets, including Thailand, Vietnam, and Southeast Asia, to drive long-term growth and enhance synergies across its group businesses. As part of this strategy, the Company divested its Rinascente department store business in Italy, following approval by the Extraordinary General Meeting of Shareholders No. 1/2025 on 6 November 2025. The share sale and purchase transaction was completed, hence the subsidiary, including the Rinascente department store group in Italy, was sold on 19 November 2025 and is reported in the current period as discontinued operations. In addition, on 23 December 2025, the Company entered into an agreement to dispose of its investment in a subsidiary of the consumer electronics retail business under the Nguyen Kim brand in Vietnam. This

disposal represents a strategic portfolio realignment of the Company's business in Vietnam, aimed at reallocating resources to enhance operational efficiency, accelerate business expansion, and generate improved returns from its two core businesses: the Food and Property segments. The transaction will be completed upon fulfilment of all conditions precedent as agreed in the agreement (please refer to the section "Factors Affecting Future Operations and Growth" for additional details). In January 2026, the Group acquired 1.2 million ordinary shares in JD Sports Fashion (Thailand) Co., Ltd., which operates in the retail distribution of sportswear. The shares were purchased from JD Sports Fashion Sdn. Bhd. (Malaysia). This acquisition represents a 40% interest in the investee's issued and paid-up share capital, in order to further strengthen and expand the Group's fashion business in the future.

### **Business Developments under Strategic Plan as follows:**

#### **1. Store Expansion and Renovation**

In the first quarter of 2026, the Company continued to expand and renovate its stores. In Thailand, new store openings included a Thaiwatsadu store in Rattana Thibet, two stores of TOPS Supermarket in Khao Pratumnak, Chonburi province and Prannok, Bangkok, four stores of TOPS DAILY, and 12 stores of Auto1. In addition, the Company officially launched "No Brand," a South Korean grocery store, in Thailand for the first time at Central Bangna, and officially reopened Central Pinklao in January following the completion of its renovation in Q4 2025. In Vietnam, the Company launched one store of go! in Cu Chi. Additionally, the Company launched new specialty stores and Brandshops in both Thailand and Vietnam, aligning with its strategic expansion plan.

Renovation and Rebranding: the Company continued the renovation of Central Rama 9 has undergone renovation. In addition, the Company renovated Robinson Lifestyle Kanchanaburi, transforming it into a new lifestyle landmark in Western Thailand. The renovation introduced modernized retail spaces, expanded dining areas, cafés, and fashion brands, as well as enlarged Family & Entertainment and relaxation zones to deliver a comprehensive lifestyle experience that caters seamlessly to all generations. In addition, the Company renovated one Thaiwatsadu store in Phetchabun province and converted two Thaiwatsadu and BnB home stores into a hybrid model in Chachoengsao province and Chaiyapruke, Bangkok.

As of March 31, 2026, the Company operated a total of 3,777 stores under its retail and wholesale brands. This comprises 75 central and Robinson department stores, 89 Thaiwatsadu stores, 65 Auto1 stores, 14 GO WHOLESALE stores, 727 TOPS Supermarket and TOPS DAILY stores, 43 GO! hypermarket stores and 16 go! stores, along with various specialty stores and Brandshops. The total net sales area reached 3,790,729 square meters, which increased by 2% from the same period last year. Additionally, the Company had a total of 75 shopping malls in Thailand and Vietnam, with a combined net leasable area of 788,631 square meters, an increase of 4% from the same period last year.

#### **2. Omnichannel Development**

The Company continues to advance its Next-Gen Omnichannel Platform to deliver an ultra-personalized shopping experience and enables a seamless integration between offline and online channels. A strong focus on deep data analytics to create a truly tailored and holistic customer journey. The platform also promotes inclusive growth for partners, positioning it as a 'Destination' for both customers and partners. Currently, the Company offers a variety

## CENTRALRETAIL

of Omnichannel sales platforms to serve customers, including: 1) Digital channel (Online) such as website stores, mobile applications, and quick commerce platforms. 2) O2O Channel (Offline to Online) includes Chat & Shop, sales through social media platforms such as Facebook, LINE, and TikTok, as well as Personal Shopper services, where customers receive personalised assistance in selecting products.

As of the first quarter of 2026, Online sales grew by 20% compared to the same period last year, accounting for 9% of the total sales of the Company.

### 3. Synergy Initiatives

The Company has continued to implement synergy initiatives in collaboration with all businesses under Central Retail and Central Group. These efforts aim to create added value through increased revenue and efficient cost management. Projects have progressed according to plan, including:

- Enhancing incremental sales by offering Product Cross-listing tailored to each business platform and joint marketing campaigns.
- . The integration of online and offline IT systems into a unified One Tech Platform to improve operational efficiency, enhance seamless customer experiences across all Omnichannel channels, and achieve greater cost optimization.
- Long-Term Profitability: Improving gross margins and enhancing cost efficiency across all departments. Key actions include optimizing procurement costs and utilizing pool purchasing to achieve more favorable pricing, which has already been initiated in some units.

The Company remains committed to cautious growth and a solid financial foundation through effective 3C (Cost, Capex, Cash Flow) management:

- Cost: Maximizing cost-efficiency through various initiatives such as reducing redundant personnel costs, installing solar rooftops, using electric trucks (EVs) for energy savings and sustainability, shifting advertising to online and social commerce platforms to reduce marketing expenses, and optimizing inventory management for outdated products.
- Capex: Prioritising investments in strategic businesses and accelerating the expansion of proven formats.
- Cash Flow: Enhancing working capital efficiency, agility, and increasing cash flow to support further business growth.

**The First Quarter of 2026 Performance**

Central Retail Corporation Public Company Limited and its subsidiaries (“Company”) reported its operating results for the first quarter of 2026, with total revenue of THB 66,514 million, increased by 1.4% from same period last year and net profit from continuing operations was THB 2,891 million, increased by 12.1% from the same period last year. Meanwhile, operating profit from continuing operations was THB 4,312 million, increased by 4.1% from the same period last year, and net profit from continuing operations after adjustments of THB 2,990 million, reflecting an increase of 10.5% from the same period last year. Total sales increased primarily due to food segments, supported by growth in online sales as well as the continued expansion of TOPS Supermarket and TOPS DAILY stores. Gross profit from sales increased, driven by sales growth and improved gross margin. Selling expenses increased slightly, mainly due to higher sales commissions from online sales channels, while administrative expenses increased primarily due to foreign exchange losses. However, the Company was able to reduce IT-related expenses in this quarter. In addition, financial cost declined as a result of lower borrowings and lower interest rates, and the share profit from associates and joint ventures increased, mainly from contributions from JD Sports Fashion (Thailand) following the Company acquired a 40% stake during the quarter.

# CENTRALRETAIL

## Financial Summary for the First Quarter of 2026

	Three-month period ended			Increase (decrease)	
	31 March 2025 THB millions	31 December 2025 THB millions	31 March 2026 THB millions	from last year %	from last quarter %
Revenue from sales	58,720	56,800	59,612	1.5%	5.0%
Fashion segment	12,801	14,157	12,431	(2.9%)	(12.2%)
Hardline segment	18,887	17,991	18,423	(2.5%)	2.4%
Food segment	27,031	24,652	28,759	6.4%	16.7%
Revenue from rental services	1,981	2,037	2,020	2.0%	(0.8%)
Revenue from rendering of services	321	304	300	(6.5%)	(1.4%)
Investment income	41	72	52	24.8%	(27.9%)
Other income	4,528	11,949	4,530	0.0%	(62.1%)
<b>Total revenue</b>	<b>65,591</b>	<b>71,162</b>	<b>66,514</b>	<b>1.4%</b>	<b>(6.5%)</b>
Cost of sales of goods	44,888	42,381	45,247	0.8%	6.8%
Gross profit from sales	13,832	14,420	14,366	3.9%	(0.4%)
Cost of rental and rendering of services	600	644	605	0.9%	(6.0%)
Gross profit from rental and rendering of services	1,702	1,697	1,715	0.8%	1.0%
Gross profit from sales and rental and rendering of services	15,534	16,117	16,081	3.5%	(0.2%)
<b>Gross profit including investment income and other income</b>	<b>20,103</b>	<b>28,137</b>	<b>20,662</b>	<b>2.8%</b>	<b>(26.6%)</b>
Selling expenses	11,622	12,230	11,845	1.9%	(3.2%)
Administrative expenses	4,340	10,867	4,505	3.8%	(58.5%)
<b>Profit from operating activities</b>	<b>4,142</b>	<b>5,040</b>	<b>4,312</b>	<b>4.1%</b>	<b>(14.4%)</b>
Finance costs	1,014	907	783	(22.8%)	(13.7%)
Share of profit of associated and joint ventures	143	158	165	15.5%	5.0%
Profit before tax expense	3,271	4,290	3,694	12.9%	(13.9%)
Tax expense	691	1,891	803	16.2%	(57.5%)
Profit (loss) from continuing operations	2,580	2,399	2,891	12.1%	20.5%
Profit (loss) from discontinued operations	(104)	282	-	100.0%	(100.0%)
<b>Profit for the period</b>	<b>2,475</b>	<b>2,681</b>	<b>2,891</b>	<b>16.8%</b>	<b>7.8%</b>
Profit to owners	2,337	2,630	2,789	19.3%	6.0%
<b>Key operating information from continuing operations*</b>					
EBITDA	8,165	9,258	8,310	1.8%	(10.2%)
Core EBITDA	8,323	8,479	8,421	1.2%	(0.7%)
Core Profit	2,705	2,780	2,990	10.5%	7.6%
Core Profit to owners	2,567	2,729	2,888	12.5%	5.8%
Basic EPS	0.39	0.44	0.46	19.3%	
<b>Operation information*</b>					
		<b>31 December 2025</b>	<b>31 March 2026</b>		
Total assets		246,849	249,913	1.2%	
Total liabilities		177,561	176,103	(0.8%)	
Total equity		69,287	73,811	6.5%	

Note: \*Non-operating items for adjustments are gain/loss on foreign exchange, gain/loss on disposal of assets and investments and gain/loss on derivatives.

**The Analysis of Operating Results for the First Quarter of 2026**

1. **Revenue from sales of goods** was THB 59,612 million, an increase of 1.5% compared to the same period last year (increased by 5.0 % from the previous quarter). Revenue from sales of goods can be classified based on the Company's business segments as follows:
  - I. **Revenue from sales of the fashion segment** was THB 12,431 million, declined by 2.9% compared to the same period last year (decreased by 12.2% from previous quarter). In Thailand, sales slightly declined due to the absence of the government's Easy E-Receipt stimulus measure in this year, which was implemented in the early period of last year. In addition, the renovation of Central department store at Rama 9 affected customer traffic, leading to a decline in customer numbers. However, online sales increased by 29.8% compared to the previous year.
  - II. **Revenue from sales of the hardline segment** was THB 18,423 million, decreased by 2.5% from the same period last year (increased by 2.4% from the previous quarter). The decline was primarily attributed to the performance of the electrical appliances business in Thailand, which faced weaker market demand, intensified competition, and the absence of the government's Easy E-Receipt stimulus measure in this year, which was implemented in the early period of last year. However, in the electrical appliances business in Vietnam, sales increased slightly, supported by strong growth during the Lunar New Year (Tet) holiday period. In addition, the segment opened a new Thaiwatsadu hybrid model store in Rattana Thibet, aiming to effectively meet the comprehensive needs of both contractors and individual customers. Online sales increased by 5.3% compared to the previous year.
  - III. **Revenue from sales of the food segment** was THB 28,759 million, increased by 6.4% from the same period last year (increased by 16.7% from the previous quarter). This was driven by both Thailand and Vietnam. In Thailand, sales increased, supported by the expansion of new stores of TOPS Supermarket and TOPS DAILY, higher consumer spending on daily necessities amid concerns arising from geopolitical tensions in the Middle East, together with strong sales growth in tourist areas. Meanwhile, sales in Vietnam increased due to the Lunar New Year (Tet) holiday period with the opening of one go! store in Cu Chi. Online sales increased by 32.0% compared to the previous year.
2. **Revenue from rental services** was THB 2,020 million, an increase of 2.0% from the same period last year (decreased by 0.8% from the previous quarter). This was due to renovation of rental areas at several stores in the previous year.
3. **Revenue from rendering of services** was THB 300 million, a decrease of 6.5% from the same period last year (decreased by 1.4% from the previous quarter).
4. **Gross profit** was THB 16,081 million, an increase of 3.5% from the same period last year (decreased by 0.2% from previous quarter). Key components were as follows:
  - **Gross Profit from Sales** was THB 14,366 million or increased by 3.9% compared to the same period last year (decreased by 0.4% from the previous quarter). Gross profit margin from sales was 24.1%, increasing by 0.5% compared to the same period last year (decreased from 25.4% in the previous quarter), mainly attributable

## CENTRALRETAIL

to higher gross profit margin in fashion and food segment driven by a higher proportion of sales from high margin products.

- **Gross profit from rental and rendering of services** was THB 1,715 million, increased by 0.8% compared to the same period last year (increased by 1.0% from previous quarter), representing a gross profit margin of 73.9%, stable compared to the same period last year (and increased compared with 72.5% in the previous quarter).
- 5. **Other income** was THB 4,530 million, quite stable compared to the same period last year (decreased by 62.1% from previous quarter). The decrease was mainly due to a gain from the divestment of the Rinascente department store business recorded in the previous quarter.
- 6. **Selling expenses** were THB 11,845 million, an increase of 1.9% from the same period last year (decreased by 3.2% from previous quarter). This was due to higher sales commissions from online sales channels, as well as higher advertising and public relations expenses, and utility costs resulting from new store's expansion. The selling expenses were 17.8% of total revenue, which increased from 17.7% compared to the same period last year.
- 7. **Administrative expenses** were THB 4,505 million, an increase of 3.8% from the same period last year (decreased by 58.5% from previous quarter). The increase was mainly attributable to foreign exchange losses during the quarter compared to the same period last year. However, the Company was able to reduce IT-related expenses during the quarter. Compared to the previous quarter, the decrease was primarily due to asset revaluation and impairment of investments in the Nguyen Kim Group recognized in the prior quarter. The administrative expenses were 6.8% of total revenue, which increased from 6.6% compared to the same period last year.
- 8. **Finance costs**, including interest expenses from loans and lease agreements, were THB 783 million, decreased by 22.8% from the same period last year, mainly due to lower borrowings and lower interest rates, partly following the Bank of Thailand's monetary policy rate reduction during the quarter.
- 9. **Share of profits of associates and joint ventures** were THB 165 million, increased by 15.5% from the same period last year, driven by contributions from JD Sports Fashion (Thailand), in which the Company acquired 40% stake during the quarter, and which reported profitable operations.
- 10. **Tax expense** was THB 803 million, an increase of 16.2% from the same period last year.

### Financial Position

1. **Total assets** as of 31 March 2026 and 31 December 2025 were THB 249,913 million and THB 246,849 million respectively, which increased by THB 3,065 million or 1.2%.

**Asset Management Efficiency** - Total assets increased, primarily due to several key items, including an increase in cash and cash equivalents of THB 4,372 million to maintain adequate liquidity amid economic uncertainties arising from external factors, and an increase in investments in joint ventures of THB 590 million, primarily resulting from the acquisition of 40% stake in JD Sports Fashion (Thailand).

## CENTRALRETAIL

- 2. Total liabilities** as of 31 March 2026 and 31 December 2025 were THB 176,103 million and 177,561 million, respectively, which decreased by THB 1,459 million or 0.8%. This was substantially due to a decrease in trade and other current payables of THB 5,212 million while short-term borrowings increased by THB 3,020 million.
- 3. Total equity** as of 31 March 2026 and 31 December 2025 were THB 73,811 million and THB 69,287 million respectively, which increased by THB 4,523 million or 6.1%. This was mainly due to the increase in retained earnings from the profit for the period of THB 2,789 million, and other components of shareholders' equity increased by THB 1,614 million mainly from a difference in exchange rate from currency translation differences in financial statement.

### Capital Structure

As of 31 March 2026, the Company's capital structure comprised of total liabilities of THB 176,103 million, of which THB 72,917 million were interest-bearing debts (excluding lease liabilities). These consisted of bank overdrafts and short-term borrowings from financial institutions totaling THB 25,394 million, current portion of long-term borrowings of THB 16,413 million, current portion of debentures of THB 5,699 million, short-term borrowings from related parties of THB 65 million, long-term borrowings of THB 16,696 million and debentures of THB 8,651 million. Total shareholders' equity totaled THB 73,811 million. The net interest-bearing debt to equity ratio remained at 0.8 times (and well below the Company's internal threshold of 2.0 times). In addition, the Company issued debentures totaling THB 6,000 million in May 2026, with tenors ranging from 3 to 5 years.

### Statement of Cash Flows

For the year ended 31 March 2026, the Company reported the cash flows as follows:

- 1. Cash flows from (used in) operating activities** were THB 6,935 million, increased by THB 1,195 million from the same period last year. The increase was primarily driven by higher cash inflows from changes in operating assets and liabilities of THB 1,501 million, a decrease in profit after adjusted to cash of THB 484 million, and lower income tax payments of THB 179 million.
- 2. Cash flows from (used in) investing activities** were THB (2,213) million, decreased by THB 513 million from the same period last year. This was mainly due to a decrease in net acquisition of property, plant and equipment of THB 1,366 million, while net cash payments for investments in joint ventures increased by THB 539 million.
- 3. Cash flows from (used in) financing activities** were THB 207 million, increased by THB 3,192 million from the same period last year. This was mainly due to a decrease in net proceeds and payments from loans from financial institutions of THB 3,000 million, and a decrease in net interest paid of THB 287 million.

## Factors Affecting Future Operations and Growth

On 23 December 2025, the Group entered into an agreement with PICO Holdings Joint Stock Company, a retailer of electronics and electrical appliances in Vietnam, to divest its entire direct and indirect investment in NKT New Solution and Technology Development Investment Joint Stock Company (NKT). NKT serves as a holding company for the electrical appliance retail business under the 'Nguyen Kim' brand in Vietnam and its 100%-owned subsidiaries. The transaction is valued at an enterprise value of USD 36 million, or approximately THB 1,137 million. Consequently, the related assets and liabilities have been reclassified as non-current assets and liabilities held-for-sale. This disposal represents a strategic portfolio realignment of the Company's business in Vietnam, aimed at reallocating resources to enhance operational efficiency, accelerate business expansion, and generate improved returns from its two core businesses: the Food and Property segments.

The transaction is consistent with the Company's strategic direction to strengthen its presence in core markets with high growth potential, including Thailand, Vietnam, and Southeast Asia, while supporting long term sustainable growth and enhancing synergies among its group businesses. On 23 April 2026, the sale of the investment was completed.

The Company remains committed to resilience by maintaining adaptability, flexibility, and caution in its operations. It continues to diversify its portfolio with Multi-Format, Multi-Category, Omnichannel Retail and Wholesale Platform, across Thailand and Vietnam, with strong emphasis on sustainability. Additionally, the Company consistently monitors quarterly performance and conducts annual reviews to ensure effective risk management and mitigate potential impacts. In addition, the Company aligns its risk management strategies in response to economic conditions and evolving consumer behaviors.

## Business outlook

Central Retail continues to execute its “**New Heights, Next Growth**” 3-year strategy. Guided by the “**Innovation in Action**” approach, the company aims to elevate its organisational capabilities through 3 key strategic directions:

- 1. Uplift Customer Experience** – Enhancing seamless shopping experiences by building on the continued success of Central Retail's omnichannel platform, which has recorded steady sales growth. Central Retail continues to enhance in-store experiences through personalised service from store staff, improved store ambience, additional Self-Checkout points, joint events across business units, and expanded lifestyle spaces that drive foot traffic such as food zones, gaming zones, and champagne bars. The company is also leveraging AI to make online shopping faster and easier, from product searches to personalised promotions. At the same time, Central Retail is seamlessly connecting offline and digital experiences through services such as Personal Shopper, Chat & Shop, Click & Collect, and Reserve & Collect— ensuring a truly frictionless journey for every shopper.
- 2. Reinvent Concepts and Merchandise** – Upgrading brands and product offerings to stay relevant to evolving consumer needs. In Vietnam, Central Retail is enhancing merchandise available at GO! Hypermarkets, focusing on bakery, ready-to-eat meals, home products, and Private Label items to better meet customer demand. In Thailand, the company will increase the variety of leading fashion brands from both Thailand and across Asia,

## CENTRALRETAIL

while accelerating the expansion of KIS & LOOKS Beauty Specialty Stores by adjusting store formats and pricing to make them more accessible and appealing to young and mainstream customers.

**3. Drive Operational Excellence** – Enhancing operational efficiency and strengthening competitiveness through technologies. Central Retail is upgrading operations across multiple dimensions. The company integrates AI to enhance customer management, marketing strategies, procurement, and pricing, as well as in-store management, while improving employee productivity and agility to build an organisation that is future-ready. Central Retail has also developed the One Data Platform to unify customer data from both online and offline channels into a Single View of Customer Data, enabling a deeper understanding of customer behaviour and the ability to deliver Omnichannel Coupons that seamlessly meet consumer needs across every touchpoint. In addition, the company continues to improve system efficiency, specifically in inventory management and end-to-end logistics.

Additionally, Central Retail is committed to enhancing operational efficiency across all business units while managing risks in alignment with shifting economic conditions and evolving consumer behaviors. The Company also emphasizes disciplined financial management to drive quality sales and earnings, maintains a strong financial position, and support potential merger and acquisition (M&A) opportunities in the future.