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Subject Management Discussion and Analysis: MD&A Operating Result of the 2nd Quarter and the 1st Half of 2025

Attention: Director and Manager of the Stock Exchange of Thailand

### Operating Results

In the second quarter of 2025, the Company's revenue from sales and services declined due to several negative factors. These included an economic slowdown that adversely impacted consumer purchasing power, particularly in the apparel and consumer goods segments. The recovery in purchasing power remained incomplete, resulting in continued cautious spending behavior among consumers. In addition, tourism-related activities decelerated in line with a decline in the number of international tourists, especially from short-haul markets. Furthermore, the Company faced intense competition in both online and offline channels. In response to these challenges, the Company has undertaken various strategic adjustments to maintain its market share. These include brand development in alignment with consumer trends that emphasize value-for-money, product quality, and sustainability (sustainable fashion), the expansion of e-commerce sales channels, and the implementation of more efficient inventory management practices.

The Company reported EBITDA of THB 337 million, representing a decrease of 70% compared to the same period of the previous year, and a 53% decline compared to the previous quarter. The primary reason for the decline was the timing difference in the recognition of dividend income. Net profit attributable to equity holders of the parent company for the second quarter of 2025 amounted to THB 191 million, decreasing by 80% compared to the same quarter of the prior year and 68% relative to the first quarter of 2025.

Revenue from sales and services for the second quarter of 2025 amounted to THB 1,953 million, representing a decline of 2% compared to the corresponding period of the previous year, and a decrease of 8% compared to the preceding quarter. The decline was primarily due to the incomplete recovery in purchasing power and intense price competition from low-cost imported goods. Revenue by product group was as follows Cosmetics and fragrances: THB 185 million, Women's apparel: THB 552 million, Men's apparel: THB 754 million, Consumer goods: THB 260 million and other products: THB 202 million

For the first half of the year, the Company recorded revenue from sales and services of THB 4,082 million, representing a decrease of 2% compared to the first half of the previous year and 11% compared to the second half of the prior year. Revenue by product group for the first six months of 2025 was as follows Cosmetics and fragrances: THB 336

million, Women's apparel: THB 1,142 million, Men's apparel: THB 1,642 million, Consumer goods: THB 611 million and Other products: THB 351 million

### Selling and Administrative Expenses

In the second quarter of 2025, the Company's selling and administrative expenses totaled THB 811 million, reflecting an increase of 5% compared to the same period of the previous year, but a reduction of 2% relative to the first quarter of 2025. The increase on a year-over-year basis was primarily attributable to higher spending to support e-commerce sales, including investments in technology, logistics, inventory management, marketing expenses, and e-marketplace platform fees. These costs represent necessary expenditures the Company must bear to enhance its competitiveness.

### Operating Results for the Second Quarter and the First Half of 2025

In the second quarter of 2025, the Company recorded EBITDA of THB 337 million, representing a decrease of 70% compared to the same period of the previous year and a decrease of 53% compared to the previous quarter. As a result, the EBITDA margin stood at 14%, declining from 34% in the second quarter of 2024 and 25% in the first quarter of 2025.

Net profit attributable to equity holders of the parent company for the second quarter of 2025 amounted to THB 191 million, representing a decrease of 80% compared to the same quarter of the prior year and a decrease of 68% compared to the first quarter of 2025.

For the first half of 2025, the Company reported net profit attributable to equity holders of the parent company of THB 799 million, representing a decrease of 1,576% compared to the second half of the previous year. Meanwhile, EBITDA amounted to THB 1,050 million, an increase of 16% compared to the second half of the prior year.

Table 1 –Operating Results

(Unit : MB)

Operating Result	Q2		Q1	change		January-June		June-December	change	
	2025	2024	2025	% YoY	% QoQ	2025	2024	2024	% YoY	% HoH
Revenue from sales and rendering of services	1,953	1,997	2,128	-2%	-8%	4,082	4,156	4,579	-2%	-11%
Total income	2,366	3,216	2,898	-26%	-18%	5,265	4,739	5,710	11%	-8%
Costs of sales and rendering of services	1,338	1,461	1,480	-8%	-10%	2,818	2,996	3,355	-6%	-16%
Gross profit	615	536	648	15%	-5%	1,263	1,160	1,224	9%	3%
Distribution costs and Administrative expenses	811	772	830	5%	-2%	1,641	1,428	1,640	15%	0%
EBITDA <sup>(1)</sup>	337	1,109	713	-70%	-53%	1,050	1,280	906	-18%	16%
Net (Loss) Profit	199	975	601	80%	-67%	800	1,038	(43.68)	-23%	-1,932%
Profit (Loss) attributable to owners of parent	191	972	607	80%	-68%	799	1,037	(54.14)	-23%	1,576%

#### Remark

(1) EBITDA is calculated as profit before finance costs, income tax, depreciation, and amortization. It excludes Share of (profit) loss of investments in associates accounted for using equity method

Table 2 – Key Financial Ratios

(Unit : %)

Key Financial Ratio	Q2		Q1	January - June	
	2025	2024	2025	2025	2024
EBITDA Margin	14%	34%	25%	20%	27%
Net Profit Margin <sup>(1)</sup>	8%	30%	21%	15%	22%
Profit Margin whice attributable to owners of p	8%	30%	21%	20%	25%
Return on Equity <sup>(3)</sup>	1%	3%	2%		
Return on Total Assets <sup>(4)</sup>	1%	3%	2%		

**Remark**

- (1) Net Profit Margin is calculated by dividing profit (or loss) for the period/year by total revenue.  
 (2) Profit Margin whice attributable to owners of paren is calculated by dividing the profit  
 (3) Return on Equity (ROE) is calculated by dividing the profit for the period/year by the shareholders' equity.  
 (4) Return on Total Assets (ROA) is calculated by dividing the profit for the period/year by the total assets.

**Total Assets**

As of June 30, 2025, the Company reported total assets of THB 35,031 million. This included cash and cash equivalents as well as other current financial assets totaling THB 2,470 million.

**Total Liabilities and Shareholders' Equity**

The Company maintained a strong financial position as of June 30, 2025, with total liabilities amounting to THB 5,181 million and total shareholders' equity of THB 29,850 million.

In the second quarter of 2025, the Company recorded capital expenditures and investments totaling THB 316 million. The Company continues to allocate capital for business expansion and ongoing efficiency improvement initiatives.



**Table 3 – Financial position**

(Unit : MB)

Financial Status	Q2		Q1	change	
	2025	2024	2025	% YoY	% QoQ
Total Assets	35,031	34,828	35,479	1%	-1%
Total liabilities	5,181	5,353	5,378	-3%	-4%
Net Debt	2,710	2,527	3,110	7%	-13%
Total equity	29,850	29,475	30,101	1%	-1%
Net Debt to Equity <sup>(1)</sup>	0.09	0.09	0.10		
Net Debt to EBITDA <sup>(2)</sup>	2.04	1.49	1.48		

**Remark**

(1) Net Debt-to-Equity Ratio is calculated by dividing net debt by total shareholders' equity.

(2) Net Debt-to-EBITDA Ratio is calculated by dividing net debt by EBITDA over the past 12 months.

**Sustainable Development**

In the second quarter of 2025, the Company continued to advance its sustainability initiatives across environmental, social, and governance dimensions. These efforts reflect the active participation of employees at all levels, which serves as a fundamental foundation for creating long-term value for the organization.

**Environmental Dimension**

The Company places strong emphasis on environmental management to minimize the impact of its operations. In April 2025, the Company was officially registered with the Thailand Greenhouse Gas Management Organization. Additionally, it expanded the scope of its data collection to support more effective greenhouse gas reduction goals. The Company also continues to manage waste systematically, including the installation of waste separation bins and communication materials to raise awareness and encourage employees to properly separate waste. These actions contribute to more efficient waste management and its subsequent benefits to society.

### Social Dimension

The Company remains committed to promoting educational opportunities and improving quality of life. In this quarter, the Company donated educational books to the “The Children's Book Foundation,” and supported life skills development and self-reliance for individuals with autism by donating Enfant products to the Chonburi Life Skills Development Center for Persons with Autism. These initiatives reflect the Company’s contribution to sustainable social development.

### Governance Dimension

The Company collaborated with an external consulting firm to develop a sustainability strategy. A current-state assessment report was prepared, benchmarking against relevant standards. This assessment will be used to guide the Company’s strategic direction, planning, and sustainability goals, driving the organization toward true long-term sustainability.

Thank you for your attention and please kindly disseminate this information to all shareholders and investors accordingly.

Yours Sincerely,



(Mr. Thamarat Chokwatana)

President and Executive Chairman