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Subject Management Discussion and Analysis: MD&A The Operating Results of the 1st Quarter of 2026

Attention: Director and Manager of the Stock Exchange of Thailand

## Operating Results

In the first quarter of 2026, the Company's revenue from sales and rendering of services declined compared to both the same period of the previous year and the previous quarter, in line with the gradual recovery of domestic purchasing power amid pressure from the high cost of living, elevated household debt levels, and cautious consumer spending. This was particularly evident in the fashion and lifestyle product segments. At the same time, competition in the retail business remained intense from modern trade channels, online operators, and low-priced imported products from overseas. Nevertheless, the government continued to implement economic stimulus measures and policies to support domestic consumption during Q1/2026, including spending stimulus programs, domestic tourism promotion, accelerated public budget disbursement, and selected cost-of-living relief measures. These initiatives helped support consumer purchasing power and domestic economic activity to some extent. However, uncertainties surrounding the global economy, energy prices, and geopolitical conditions continued to pressure consumer confidence and the Company's operating costs.

The Company continued to focus on inventory and cost management, as well as optimizing the sales mix across its product categories, including apparel, cosmetics, and consumer products, to align with market conditions and changing consumer spending behavior. As a result, gross profit margin improved compared to both the same period last year and the previous quarter, despite softer overall revenue. At the same time, the Company continued to implement measures to control selling and administrative expenses, while enhancing the efficiency of both offline and online distribution channels in order to maintain profitability under challenging market conditions.

Looking ahead, the Company will continue to focus on product development and portfolio management to better align with consumer purchasing power and evolving consumer behavior. The Company also aims to expand efficient distribution channels, maintain disciplined cost and expense management, and strengthen product groups with strong potential and healthy margins in order to navigate economic volatility and sustain long-term competitiveness.

The Company reported EBITDA of THB 215 million, representing a decrease of 68% compared to the same period of the previous year, but an increase of 1,217% compared to the previous quarter, primarily due to lower dividend income. Profit attributable to owners of the parent company amounted to THB 137 million in Q1/2026, decreasing by 77% year-over-year, while increasing by 963% compared to the previous quarter.

In the first quarter of 2026, the Company generated revenue from sales and rendering of services amounted to THB 1,973 million, representing a decrease of 7% compared to the same period of the previous year and a decrease of 13% compared to the previous quarter. Revenue by product category consisted of THB 181 million from cosmetics and fragrances, THB 530 million from women's apparel, THB 697 million from men's apparel, THB 274 million from consumer products, and THB 291 million from other products.

#### Costs of sales and rendering of services

In the first quarter of 2026, the Company's distribution costs and administrative expenses amounted to THB 801 million, representing a decrease of 3% compared to the same period of the previous year, but an increase of 1% compared to the previous quarter. The Company continued to focus on improving the efficiency of distribution and administrative expense management by emphasizing control over selling and marketing expenses, rental costs, and operational support expenses to align with market conditions, while continuously enhancing the efficiency of distribution channels and internal operations.

#### EBITDA and Profit Attributable to Owners of the Parent Company for Q1/2026

In the first quarter of 2026, the Company reported EBITDA of THB 215 million, representing a decrease of 68% compared to the same period of the previous year, but an increase of 1,217% compared to the previous quarter. As a result, the Company recorded an EBITDA margin of 10%, declining from 23% in the first quarter of 2025, but improving from 1% in the fourth quarter of 2025.

Profit attributable to owners of the parent company for Q1/2026 amounted to THB 137 million, representing a decrease of 77% compared to the same period of the previous year, and an increase of 963% compared to the previous quarter.

Table 1 – Operating Results

Operating Result	unit	Q1		Q4	change	
		2026	2025	2025	% YoY	% QoQ
Revenue from sales and rendering of services	MB	1,973	2,128	2,266	-7%	-13%
Total income	MB	2,265	2,898	2,392	-22%	-5%
Costs of sales and rendering of services	MB	1,318	1,480	1,649	-11%	-20%
Gross profit	MB	655	648	617	1%	6%
Distribution costs and Administrative expenses	MB	801	830	796	-3%	1%
EBITDA <sup>(1)</sup>	MB	215	672	16	-68%	1217%
Net (Loss) Profit	MB	138	601	4	77%	3509%
Profit (Loss) attributable to owners of parent	MB	137	607	13	77%	963%

#### Remark

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

**Table 2 – Key Financial Ratios**

Key Financial Ratio	unit	Q1		Q4
		2026	2025	2025
EBITDA Margin	%	10%	23%	1%
Net Profit Margin <sup>(1)</sup>	%	6%	21%	0%
Profit Margin whice attributable to owners of parent <sup>(2)</sup>	%	7%	29%	1%
Return on Equity <sup>(3)</sup>	%	0%	2%	3%
Return on Total Assets <sup>(4)</sup>	%	0%	2%	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 net profit attributable to owners of the parent by total assets.

**Total Assets**

As of March 31, 2026, the Company's total assets amounted to 35,076 million Baht. The Company had cash and cash equivalents and other current financial assets totaling 2,617 million Baht.

**Total Liabilities and Equity**

The Company maintained a solid and stable financial position with total liabilities of 4,891 million Baht and shareholders' equity of 30,185 million Baht. During the first quarter of 2026, the Company recorded capital expenditures and investments totaling 114 million Baht. The Company also has plans to utilize funds for business expansion and continuous operational efficiency improvement projects.

**Table 3 – Financial position**

Financial Status	unit	Q1		Q4	change	
		2026	2025	2025	% YoY	% QoQ
Total Assets	MB	35,076	35,479	34,815	-1%	1%
Total liabilities	MB	4,891	5,378	5,063	-9%	-3%
Net Debt	MB	2,274	3,110	2,421	-27%	-6%
Total equity	MB	30,185	30,101	29,751	0%	1%
Net Debt to Equity <sup>(1)</sup>	times	0.08	0.10	0.08		
Net Debt to EBITDA <sup>(2)</sup>	times	3.70	2.38	2.26		

**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 first quarter of 2026, the Company continued to advance its sustainability initiatives under the Environmental, Social and Governance, or ESG, framework by integrating sustainability considerations into its 2026 corporate strategic direction. The Company's strategy focuses on building customer-centric growth, empowering people with technology, strengthening the ecosystem for innovation, and transforming ICC into a modern brand built on trust and sustainability.

During the quarter, the Company placed importance on aligning sustainability initiatives with its key strategic priorities, particularly digital enablement, process optimization, AI-supported operations, employee capability development, and responsible value chain management. These efforts aim to enhance operational efficiency, transparency, accountability, and long-term sustainable growth.

Environmental Aspect the Company places importance on efficient resource and environmental management to reduce operational impacts and promote the responsible use of resources. This approach is aligned with the Company's strategic direction to become a trusted and sustainable modern brand, as well as to promote a sustainable and responsible value chain.

In the first quarter of 2026, the Company continued to monitor relevant data and performance related to greenhouse gas management to support environmental planning and the development of appropriate implementation guidelines. The Company also emphasized the reduction of resource consumption in daily operations, particularly through digital enablement and the transition from paper-based processes to digital workflows. These initiatives support improved efficiency, lower operating costs, reduced paper usage, and enhanced auditability of work processes.

In addition, the Company continued to promote waste and waste management practices by encouraging proper waste segregation, the appropriate handling of reusable and recyclable materials, and employee awareness of responsible resource consumption. These efforts are consistent with the Company's strategic focus on technology-enabled operational excellence, while contributing to the reduction of environmental impacts and supporting sustainable business growth.

Social Aspect the Company places importance on people development and the creation of a modern corporate culture that is ready for change. This is aligned with the Company's strategy to empower people with technology and to build an agile, capable, and trusted organization. In the first quarter of 2026, the Company continued to encourage employees to participate in the transition toward digital ways of working through tools and systems that improve efficiency, reduce work processes, and support data-driven decision-making.

The Company's digital enablement initiatives, including the use of Google Workspace, AppSheet, dashboards, and AI tools, support the development of employee capabilities and enable employees to work more efficiently, accurately, and effectively. The Company also emphasizes the development of internal knowledge systems, such as standardized operating procedures and internal knowledge platforms, to support learning, knowledge sharing, and cross-functional collaboration.

In terms of social responsibility, the Company continued to contribute to the improvement of quality of life for communities and society by supporting activities that create public benefits and align with responsible business practices. These include initiatives related to education, opportunity creation, and community support, as appropriate. Such efforts reflect the Company's role in creating shared value for employees, customers, business partners, communities, and other stakeholders while supporting sustainable organizational growth.

Governance Aspect the Company remains committed to conducting business in accordance with the principles of good corporate governance, transparency, accountability, and business ethics. In the first quarter of 2026, the Company placed importance on aligning sustainability initiatives with its 2026 corporate strategy and enhancing the monitoring framework for strategic execution through clearer targets, performance indicators, and data systems to support management decision-making.

The Company aims to strengthen governance through the use of technology and data, including the development of financial and operational performance dashboards, the monitoring of sales, costs, and related expenses, and the digitalization of approval and internal work processes. These initiatives help improve speed, accuracy, transparency, and the auditability of information and workflows.

In addition, the Company continued to promote strict compliance with its business ethics policy, anti-corruption policy, and good corporate governance practices among management and employees at all levels. The Company also emphasized cross-functional collaboration to ensure that strategic execution and sustainability initiatives are aligned across the organization. These efforts help strengthen stakeholder confidence and support the Company's stable, transparent, and sustainable long-term growth.

The Management believes that the Company's strong business fundamentals, diversified product portfolio, extensive distribution network, and solid financial position will enable the Company to effectively manage economic volatility and intense business competition. These key strengths will continue to support sustainable growth, enhance the Company's long-term competitiveness, and deliver appropriate returns to shareholders over the long term.

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