No: IDR 18/2025

Date: 12 November 2025

Re: Management Discussion and Analysis (MD&A) for the Third Quarter of 2025

To: The President
The Stock Exchange of Thailand

Operating Results for the Third Quarter of 2025 (3Q25)

CP ALL Public Company Limited (CPALL or the Company) would like to clarify operating results for the third quarter of 2025 in which the Company and its subsidiaries have reported a net profit of Baht 6,597 million. The main reasons are as follows:

Economic Overview

The Thai economy in the third quarter of 2025 experienced a slowdown at the start of the quarter, with slower supply where industrial production declined as a result of temporary shutdowns in certain product lines, leading to a contraction in related service sector activities. On the demand side, domestic demand weakened, especially private investment, together with a decrease in foreign tourism receipts.

Despite the abovementioned, the economy began to recover toward the end of the quarter. In September, economic conditions improved thanks to the manufacturing sector which gradually resumed activities following earlier halts for efficiency upgrades. In addition, exports increased, particularly in the electronics category, but domestic demand continued to slow down for both private consumption and private investment.

Even though this quarter saw a decreased number of foreign tourists year-over-year (YoY), especially Chinese tourists whose visits continued to decline, arrivals from long-haul markets increased compared to the same quarter last year. Furthermore, the number of tourists from Malaysia and India rose toward the end of the quarter, resulting in a gradual recovery in foreign tourism receipts. In 3Q25, the government continued to implement both short-term and long-term economic stimulus measures, focusing on the development of domestic purchasing power, infrastructure, tourism, exports, and local economies.

Total Revenues

In 3Q25, the Company reported total revenues at Baht 250,655 million, increasing by 3.9 percent YoY. This resulted primarily from an increase in revenue from sale of goods in all business units, including convenience store business, wholesale and retail businesses and mall, and other supporting businesses.

Other than that, the Offline-to-Online O2O strategy of each business unit was still another factor contributing to revenue growth.

Gross Profit

In the third quarter of 2025, the Company reported gross profit from sales and services at Baht 55,241 million, increasing by 3.9 percent YoY, as a result of every business unit's product strategy that delivered products that satisfy customer needs in each time period to enhance profitability. Consequently, the gross profit margin in the Company's consolidated financial statements rose to 22.8 percent compared to 22.7 percent in 3Q24.

Distribution Costs and Administrative Expenses

In 3Q25, CPALL reported proportion of distribution costs and administrative expenses as follows:

Costs and Expenses	3Q25
Employee benefits	33%
Store management fees	13%
Rental and depreciation and amortization	19%
Advertising and sales promotion	12%
Utilities and others	23%
Total	**100%**

The distribution costs and administrative expenses were reported at Baht 51,004 million, increasing by 5.0 percent YoY. Distribution costs were reported at Baht 43,129 million, increasing by 6.8 percent YoY, whereas administrative expenses were reported at Baht 7,875 million, decreasing by 3.9 percent YoY. The increase in expenses could be attributed to the increase in employee benefits, store management fees, and advertising and sales promotion expenses, which grew in line with store expansion. Regardless, the Company has maintained stringent and efficient cost control.

Profit Before Finance Costs and Income Tax Expense and Net Profit

In 3Q25, the Company reported profit before finance costs and income tax expense at Baht 12,462 million, increasing by 8.7 percent YoY, and reported net profit at Baht 6,597 million, increasing by 17.6 percent YoY. This came as a consequence of improved performance mainly in convenience store business and other businesses, together with efficient cost control. The consolidated earnings per share for 3Q25 was reported at Baht 0.73 per share.

Proportion of Total Revenues and Profit before Finance Costs and Income Tax Expense before Elimination

During the first nine months of 2025, the total revenues before elimination contributed from major businesses were (1) convenience store business and other businesses, accounting for 53 percent, and (2) wholesale and retail businesses and mall, accounting for 47 percent. Revenue proportion of (1) grew from the previous year mainly due to the growth in revenues from the convenience store business.

Profit before finance costs and income tax expense before elimination contributed from major businesses were (1) convenience store business and other businesses, accounting for 73 percent, and (2) wholesale and retail businesses and mall, accounting for 27 percent. Profit proportion of (1) increased from last year mostly from the growth in profit of convenience store business and other businesses. Nonetheless, all business units were pursuing continuous profit growth from solid performance and cost control.

Operating Results from the Convenience Store Business

In 3Q25, the convenience store business opened a total of 169 stores. At the end of the quarter, CPALL had a total of 15,764 stores, divided into:

(1) 8,098 corporate stores (approximately 51 percent of total stores) or net new stores of 139 stores in this quarter
(2) 7,666 store business partner (SBP) and sub-area stores (approximately 49 percent of total stores) or net new stores of 30 stores in this quarter

The majority of our stores were stand-alone, accounting for 86 percent of total stores, while the remaining portion of total stores were in PTT gas stations.

In 3Q25, the convenience store business reported total revenue from sales and services at Baht 113,853 million, increasing by 5.6 percent YoY. The average sales per store per day in 3Q25 were at Baht 81,339, together with same-store sales growth (SSSG) which contracted slightly by 0.5 percent YoY. The average spending per ticket was approximately Baht 86, and the average number of customers per store per day was 943 persons. The number of customers declined from the corresponding quarter last year due to seasonal factors impacting mobility within the country, coupled with the lower number of foreign tourists. Despite that, the convenience store business has used strategic plans to be consistent with the current situation by retaining the existing customer base and expanding new customer base by offering new products with promotions to attract customers in each time period. Furthermore, the Company strived to improve the revenue generated from selling products through the O2O strategy, such as 7Delivery and All Online, which was consistently able to meet customers' needs well, contributing approximately 11 percent to total sales revenue.

In 3Q25, 76.5 percent of revenue from sales originated from food categories and 23.5 percent from non-food categories. The contribution of food categories to the sales mix grew from the same period of last year in accordance with the Company's key strategy, which focuses on being the number one destination for food and drinks in customers' minds for all customer groups anywhere and anytime.

Gross profit for the convenience store business in 3Q25 was at Baht 33,501 million, increasing by 6.7 percent YoY. Gross profit margin was reported at 29.4 percent, increasing from 29.1 percent in 3Q24. The main reason was the aforementioned product strategy, as well as the emphasis on product margin by continually increasing the proportion of high-margin products.

The convenience store business also recognized other income at Baht 7,662 million, increasing by 14.0 percent YoY, which could be mainly attributed to utilizing commercial space and others. Furthermore, dividend income from subsidiaries was recognized at the amount of Baht 1,145 million.

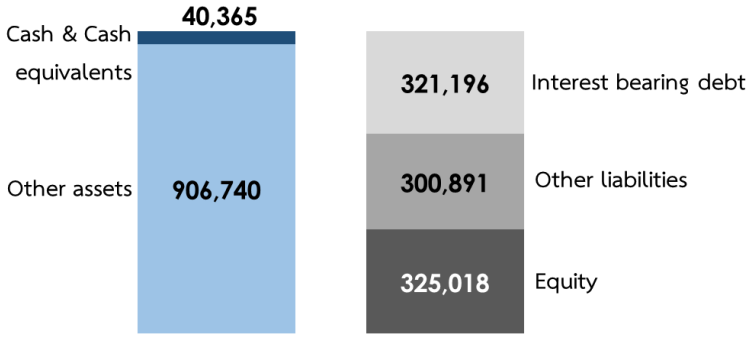
In 3Q25, distribution costs and administrative expenses were Baht 34,023 million, increasing by 8.0 percent YoY, mainly due to employee benefits, store management fees, and advertising and sales promotion, which rose in tandem with store expansion.

Nevertheless, the Company continuously endeavored to control expenses tightly and maximize efficiency, together with striving to expand 7-Eleven stores as planned and add more channels for customers to access products and services. The convenience store business continued to report an increase in operating profit to Baht 8,331 million, an increase of 12.5 percent YoY, and a net profit of Baht 5,202 million, an increase of 16.4 percent YoY. The Company's earnings per share from separate financial statements was reported at Baht 0.57 per share.

As of 30 September 2025, the Company operated the convenience store business (7-Eleven) with total stores of 125 stores in Cambodia and 20 stores in Lao PDR.

Financial Position of the Company as of 30 September 2025

Compared to Financial Position as of 31 December 2024



The Company had cash and cash equivalents of Baht 40,365 million, which represents a decrease of Baht 14,248 million or 26.1 percent, mainly due to cash disbursements to repay borrowings from financial institutions.

Trade accounts receivable increased by Baht 604 million or 15.7 percent to Baht 4,460 million. The increase was mainly in the trade accounts receivable in the wholesale and retail businesses and mall which had higher trade accounts receivable not past due. As a consequence, the accounts receivable days were reported at 1.5 days.

Inventories increased by Baht 2,423 million or 4.0 percent from the end of the previous year to Baht 63,692 million, with inventory days equaling 29.2 days.

Trade accounts payable decreased by Baht 12,583 million or 9.8 percent from the end of the previous year to Baht 115,711 million, with accounts payable days equaling 54.6 days.

Consequently, the Company and its subsidiaries reported cash cycle of negative 24 days as of 30 September 2025.

Interest-bearing debt excluding lease liabilities increased by Baht 4,664 million or 1.5 percent from the end of the previous year to Baht 321,196 million, largely due to increased borrowings from financial institutions and the wholesale and retail businesses and mall's debenture issuance in this quarter. The Company reported net debt to adjusted equity at 0.83 times and was able to continuously comply with the bond covenant which requires the net debt to adjusted equity ratio to not exceed 2:1.

Sustainability Goals in Business Operations of the Company

The Company is committed to continuous development and management of corporate sustainability and has specified 15 organizational sustainable development goals corresponding to the United Nations Sustainable Development Goals (SDGs) and the 10 United Nations Global Compact Principles (UNGC). In each year, the Company has continuously strived on taking action to achieve the sustainable development goals and realize the identified strategic plan. The progresses in 2025 will be disclosed in the 2025 Sustainability Report.

Summary of Sustainability Goals and Performance Progresses in 2024

Topic	Description	Goal	2024 Performance
Environmental: 7 Go Green			
Climate Resilience*	To achieve Carbon Neutral by 2030 and Net Zero GHG Emissions by 2050	Carbon neutral	2.09 mtCO2e
Efficient Use of Resources and Energy*	To reduce the final energy consumption compared to business-as-usual (BAU)	25%	5.38%
Sustainable Packaging Management*	Private Brand utilizing plastic packaging must be reusable, recyclable, and compostable	100%	97.17%
Sustainable Waste and Surplus Food Management*	Reduce excess or leftover food volume requiring disposal and reduce waste volume originating from Company's operations requiring landfill disposal	100%	75.05%
Ecosystem & Biodiversity Protection	All areas of business operations have projects in collaboration with local and national stakeholders or independent third parties	100%	100%
Social: 7 Go Together			
Social Impact and Economic Contribution*	To develop skills and promote jobs to generate income for SMEs, small entrepreneurs, agriculturists, and vulnerable groups	250,000 persons	730,257 persons
Education and Lifelong Learning*	To support children, youth, adults and vulnerable groups to education-having access to necessary technical and professional skills	500,000 persons	545,534 persons
Good Health & Well-Being*	Increase the number of new health & nutrition products and services	25%	26.10%
Food and Water Security & Access to Well-being	Support the underserved, impoverished, and vulnerable people in receiving access to safe food and water, and well-being	5,000,000 persons	9,063,604 persons
Stakeholder Engagement	All key stakeholder group engagement level	80%	84%
Governance and Economic: 7 Go Right			
Corporate Governance and Anti-Corruption*	The Company's corporate governance rating is at excellence by an internationally recognized institute	Excellence	Excellence
Human Rights and Labor Practices*	The Company has continuously conducted Human Rights Impact Assessment following UN Guidelines, of its operations and suppliers with high sustainability risks	100%	100%
Human Capital Development*	All leaders and employees will be involved in the learning process and activities on sustainability	100%	100%
Innovation and Value Creation	Income from products and services innovation and new businesses including process innovation	20%	11.00%
Responsible Supply Chain*	Significant Tier-1 Suppliers must be assessed and receive development and improvement	100%	100%

*Significant material topics in 2024

Outlook for Convenience Store Business in 2025

Store expansion	The Company plans to develop distribution channels for products and services on both online and offline platforms, together with new store rollout following the growth of communities, various infrastructures, tourist destinations and other high potential areas to facilitate and access the needs of customers as much as possible. The Company plans to open about 700 new stores in Thailand and also aims to open new stores in Cambodia and Lao PDR in 2025.
Sales and services revenue growth	Revenue growth of Convenience Store Business is driven by contribution from new stores, positive SSSG and sales through other channels including 7Delivery and All Online which is forecast to grow in line with the projected economic growth in Thailand (GDP growth). However, this is subject to other factors including inflation rate, raw material price, energy price and private consumption growth, etc.
Gross profit margin	Gross profit margin advancement is expected to continue on the back of product strategy in order to cater to consumer demand. We also continue to drive higher sales participation of the higher-margin products in both food and non-food categories.
Capital expenditure (CAPEX)	CAPEX is projected to be approximately Baht 12,000 – 13,600 million with details as follows (unit: million Baht) • Store expansion 3,800 – 4,600 • Store renovation 2,900 – 3,500 • Investment in new projects, subsidiaries and DC 4,000 – 4,100 • Fixed assets and IT system 1,300 – 1,400

Please be informed accordingly.

Sincerely yours,

Mr. Kriengchai Boonpoapichart

Chief Financial Officer

Authorized to sign on behalf of the Company