



CHAOSUA FOODS INDUSTRY PUBLIC COMPANY LIMITED

Management Discussion and Analysis (MD&A)

Q3/2025





Executive Summary

In Q3/2025, Chaosua Foods Industry Public Company Limited ("the Company") reported operating revenue of THB 341.23 million, increased by THB 1.1 million or 0.3% from Q2/2025, mainly due to 1) the increased in sales from the United States, especially from cereal crackers, the expansion of distribution through Asian supermarket chain networks which has many branches, and the increase in sales from retail channels, which has shown continuous growth 2) the increase in sales from European countries mainly from exports to the United Kingdom and the Netherlands during Q3/2025, which resulted from the Company's continuous participation in trade exhibitions and marketing activities.

The Company ensures to prioritize domestic market development, focusing on expanding its distribution channels to ensure a broader coverage and to meet the needs of all target consumer groups. By implementing a 360° Marketing Strategy, the Company effectively integrates online and offline channels to enhance customer reach and strengthen brand-consumer relationships. The Company remains committed to both retaining its existing customer base and expanding its customer base, aiming to increase market share through new product development and enhanced customer experience. At the same time, the Company continues to adopt sustainable development principles (ESG) while maintaining its market leadership and actively seeking new business opportunities within the country.

In the coming quarters, the Company will continue to drive continuous growth through its market expansion strategy and improved operational effectiveness across both domestic and international markets. For the domestic market, the Company continues to refine its distribution strategy by improving the efficiency of traditional trade channels and expanding its B2B customer base through strategic partnerships with business allies, capturing new opportunities and new customer base in the corporate segment. For the international market, sales momentum is expected to continue to improve, particularly in the United States and China, which remains the Company's key markets. In the United States, the market continues to expand through the diversification of retail distribution channels and the strong performance from key sales channel, which has led to a significant increase in sales of cereal crackers. Meanwhile, the Rice Cracker with Shrimp Floss and Pad Thai Sauce, now available across major Chinese retail chains, has generated strong consumer feedback. Building on this momentum, the Company intends to introduce additional products to expand its portfolio and support continued growth. In addition, the Company continues to implement productivity improvement and waste reduction initiatives across its manufacturing processes to enhance competitiveness and support a more stable profit margin over the long term.

Results Overview	Q3/24	Q2/25	Q3/25	Change +/-	
Unit: Million THB				%YoY	%QoQ
Operating Revenue	454.0	340.2	341.3	(24.8%)	0.3%
Gross Profit	170.8	115.0	121.1	(29.1%)	5.3%
EBITDA	76.6	15.6	24.4	(68.1%)	56.7%
Net (Loss) Profit	53.7	1.9	9.5	(82.4%)	403.3%
Gross Profit Margin (%)	37.6%	33.8%	35.5%	(2.1%)	1.7%
EBITDA Margin (%)	16.8%	4.5%	7.1%	(9.7%)	2.6%
Net (Loss) Profit Margin (%)	11.7%	0.5%	2.7%	(9.0%)	2.2%

Notes: Values may differ by one decimal point due to rounding

The Company's Overview Performance Q3/2025

- In Q3/2025, the Company reported total **Operating Revenue** of THB 341.3 million, increased by THB 1.1 million or 0.3% from Q2/2025, mainly due to 1) the increase in sales from the United States, particularly from cereal crackers, and the expansion of distribution through Asian supermarket chain networks which has many branches, as well as the increase in sales performance from retail channels, which has shown continuous growth 2) the increase in sales from European countries mainly from exports to the United Kingdom and the Netherlands, as a result from the Company's continuous participation in trade exhibitions and marketing activities.
- Gross Profit** was THB 121.1 million, increased by THB 6.1 million or 5.3% from Q2/2025, mainly due to 1) the increase in operation revenue from international markets, driven by the continuous sales growth in the United States, as well as the European markets mainly from exports to the United Kingdom and the Netherlands during Q3/2025 and 2) the ongoing execution of proactive cost-management initiatives, focusing on productivity improvement within the manufacturing facilities and ensuring waste reduction.
- Net Profit** was THB 9.5 million, increased by THB 7.6 million or 403.3% from Q2/2025, mainly due to 1) the increase in operation revenue from international markets, particularly in the United States and European countries 2) the continuous implementation of proactive cost management initiatives and 3) the increase in sales through channels with lower selling and administrative expenses, such as online platforms and international markets, as well as the optimization of transportation routes to enhance efficiency.

Significant Event in Q3/2025:

“CHAOSUA” participated in exhibiting Modern Thai Snack products at Anuga 2025 in Germany

Chao Sua Foods Industry Public Company Limited participated in Anuga 2025, the international food and beverage trade fair held in Cologne, Germany, to showcase its innovative Modern Thai Snack products under the concept “Modern Thai Snack Better for You.” The participation aimed to expand the Company’s presence in the European market and drive sustainable growth. This initiative forms part of the Company’s international market expansion strategy, targeting to **increase the proportion of overseas revenue to 35% by 2028** through strengthening its core markets in the United States, China, Australia, and European countries, while also penetrating new high-potential markets, particularly among Halal countries.

Improved their strategic partnership with Makro through the launch of two new products

Chao Sua Foods Industry Public Company Limited strengthened its business collaboration with Makro by introducing Chao Sua pork floss as an ingredient in Makro’s bakery products, namely the Salted Egg Custard Bread with Pork Floss and the Pork Floss Cream Cheese Mayo Cake, now available at Makro branches nationwide. This collaboration marks another milestone in expanding the Company’s B2B (Business-to-Business) channels, creating opportunities to extend its product applications into new markets and enhance product value through diversified consumption formats. In addition, the Company plans to expand similar partnerships with other business allies to drive sustainable long-term growth.

Launched new flavor ,“Rice Crackers with Shrimp Floss and Pad Thai Sauce,” targeting Chinese consumers

Chao Sua Foods Industry Public Company Limited launched a new product, “Rice Crackers with Shrimp Floss and Pad Thai Sauce,” in the Chinese market, with distribution on store shelves between July and August 2025. The product received strong consumer response, as its authentic Thai flavor was well appreciated by Chinese customers, leading to growing sales and an increasing repeat purchase rate. The positive market reception reflects the strong growth potential of the rice cracker product line in international markets and reinforces the Company’s capability to develop innovative Thai flavors that can compete and gain popularity globally in a sustainable manner.



CHAOSUA Business Strategy

01 Marketing Excellence

- Top of mind brand awareness
- Brand modernization

02 Product Innovation & Diversification

- Continuously launching NPDs
- Growing the “Better-for-you snack” segment
- Exploring new categories with high growth potentials

03 Distribution Channel Reinforcement

- Strengthening MT and TT Channels (Merchandising Development)
- Enhancing online presence
- Explore new potential channels

04 International Market Expansion

- Establishing a global brand as “Better-for-you” snack
- Strengthening foothold in newly penetrated markets
- Expanding to new markets (including Halal countries)

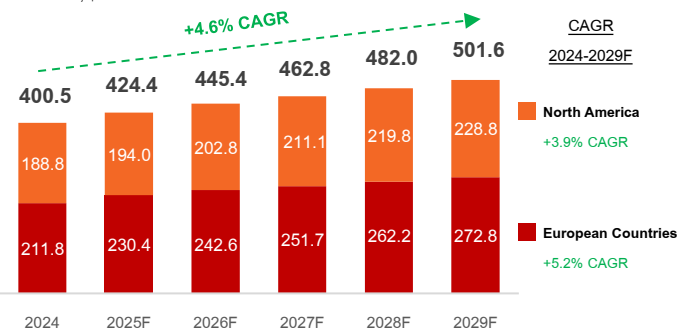
Operational Efficiency

- Continuous Margin Improvement
- Efficient Cost Management
- Process Improvement - Automation
- Solar Rooftop



Snack Market Value in North America and European Countries

Unit: Trillion, \$



In 2024, the combined snack market in Europe and North America was valued at USD 400.5 billion, and it is projected to reach USD 501.6 billion by 2029F, representing an average annual growth rate of 4.6% during 2024–2029F. The growth in these two regions is primarily driven by three key factors, which are 1) Rising demand for healthier snacks, particularly those offering clear and tangible nutritional benefits 2) Greater product varieties, catering to consumers seeking new flavors and innovative snack experiences 3) Increasing on-the-go consumption, as consumers prepare and purchase more snacks for convenience throughout the day. Based on these drivers, the European and North American snack markets are expected to grow at an average annual rate of 5.2% and 3.9%, respectively, over the forecast period of 2024–2029F.

Source: Euromonitor and Ken Research



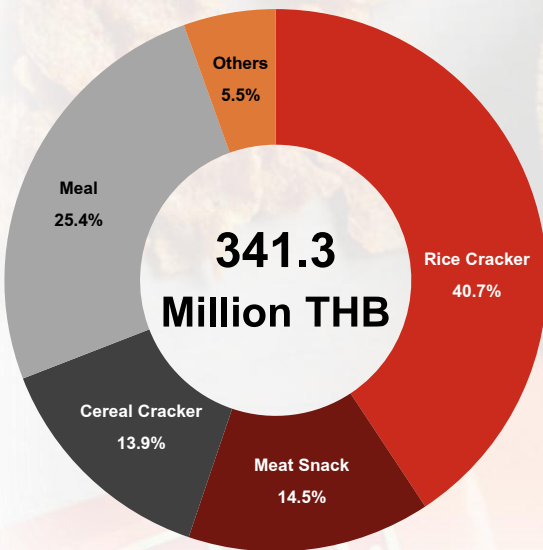
The Company's Operating Result

Overall Operating Result	Q3/24	Q2/25	Q3/25	Change +/-	
Units: Million THB				%YoY	%QoQ
Operating Revenue	454.0	340.2	341.3	(24.8%)	0.3%
Cost of Good Sold	283.2	225.2	220.2	(22.2%)	(2.2%)
Gross Profit	170.8	115.0	121.1	(29.1%)	5.3%
Other Income	3.1	5.2	2.2	(29.7%)	(57.7%)
Selling & Distribution Expenses	60.6	56.9	56.8	(6.3%)	(0.1%)
Administrative Expenses	11.7	23.0	19.6	67.9%	(14.6%)
Other Expenses	35.0	37.1	35.2	0.5%	(5.2%)
Financial Cost	(0.4)	0.9	1.2	410.7%	28.2%
Profit (Loss) before Income Tax	62.6	2.7	11.3	(82.0%)	326.0%
Income Tax (Expenses)	8.9	0.8	1.8	(79.5%)	137.0%
Net Profit (Loss)	53.7	1.9	9.5	(82.4%)	403.3%

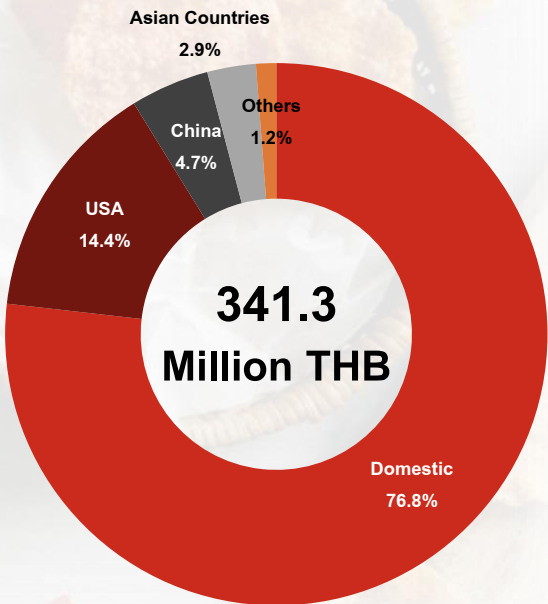
Notes: Values may differ by one decimal point due to rounding

Q3/2025 Operating Revenue Structure

Revenue Breakdown by Product Categories



Revenue Breakdown by Channel



Note: *Asian countries exclude China

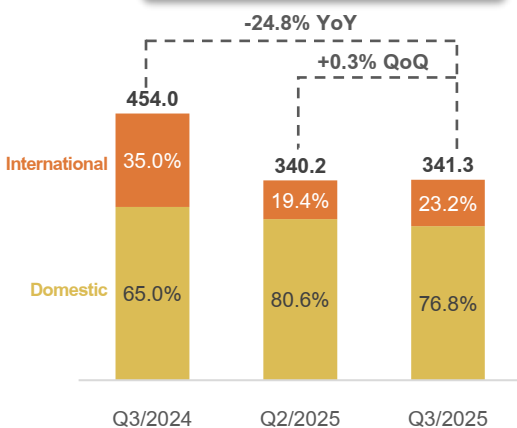
Q3/2025 Operating Results



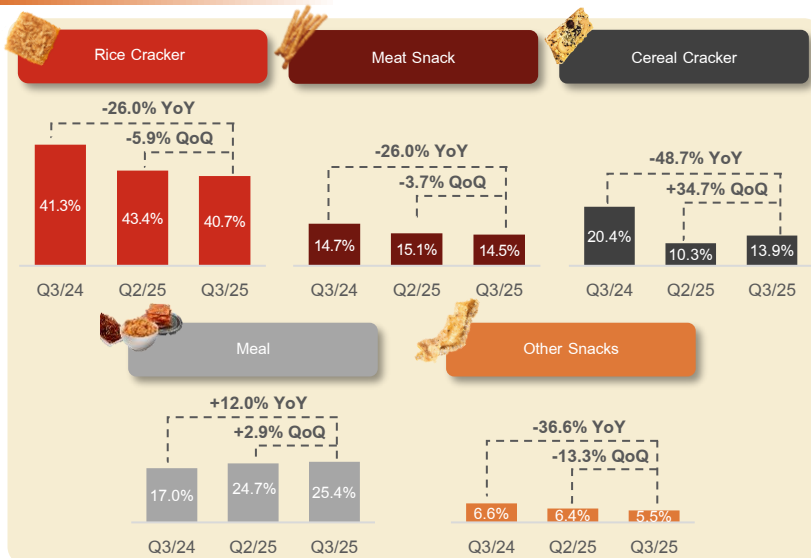
Operating Revenue Breakdown by Product

Unit: Million THB, %

Operating Revenue



Note: Fish skin products are classified under the other snacks category



QoQ: Q3/2025 vs Q2/2025

+0.3%

In Q3/2025, the Company reported operating revenue of THB 341.3 million, increased by THB 1.1 million or 0.3% from Q2/2025, mainly due to the following factors:

- Domestic sales** contributed for 76.8% of total operating revenue in Q3/2025, decreased by 4.3% from Q2/2025, mainly due to 1) the decrease in sales through modern trade and traditional trade channels which was driven by the domestic economic slowdown and weaker consumer purchasing power. However, the Company has adjusted its wholesale distribution model by shifting from selling via agents to direct distribution by the Company and have expanded into new retail channels, particularly to fresh product chain stores, with a focus on the rice crackers to drive continuous sales growth.
- International sales** contributed for 23.2% of total operating revenue in Q3/2025, increased by 19.7% from Q2/2025, mainly due to 1) the increase in sales from the United States, particularly cereal crackers, and the expansion of distribution through Asian supermarket chain networks which has many branches, as well as the increase in sales performance from retail channels, which has shown continuous growth and 2) the increase in sales from European countries, driven by exports mainly to the United Kingdom and the Netherlands during Q3/2025 as a result from the Company's continuous participation in trade exhibitions and marketing activities.

YoY: Q3/2025 vs Q3/2024

-24.8%

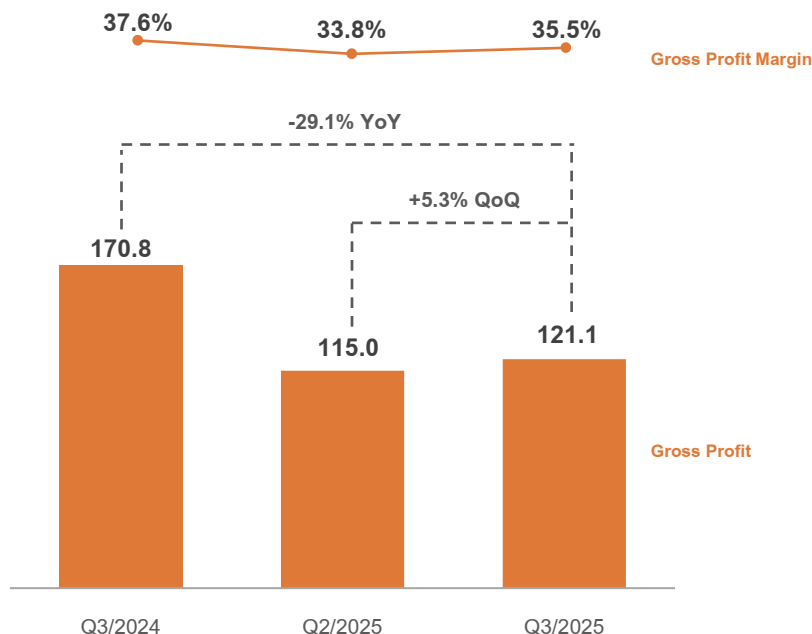
In Q3/2025, the Company reported operating revenue of THB 341.3 million, decreased by THB 112.7 million or 24.8% from Q3/2024, mainly due to the following factors:

- Domestic sales** contributed for 76.8% of total operating revenue in Q3/2025, decreased by 11.1% from Q3/2024, mainly due to 1) the decrease in sales through modern trade and online channel which was driven by the domestic economic slowdown and weaker consumer purchasing power. However, the Company has adjusted its wholesale distribution model from selling via agents to direct distribution, resulted in higher sales through traditional trade channels compared to Q3/2024, and have expanded into new retail channels, particularly fresh product chain stores, with a focus on the rice crackers to drive continuous sales growth.
- International sales** contributed for 23.2% of total operating revenue in Q3/2025, decreased by 50.3% from Q3/2024, mainly due to 1) the decrease in sales in China, as the Company organized a major promotional campaign at Sam's Club during Q3/2024 covering June to July, resulting in lower sales in Q3/2025 compared to Q3/2024. However, The Company continued to expand its market presence, particularly in the United States, where it launched additional rice cracker products, extending beyond the existing cereal-based snack category to broaden its consumer base and penetrate new market segments. This has resulted in an increase in sales from retail channels. Meanwhile, the Company introduced a new product, "Rice Cracker with Shrimp Floss and Pad Thai Sauce," in China which received a positive consumer response. The Company plans to further expand the exports of this product in the coming periods to meet the rising demand for new flavors.



Gross Profit and Gross Profit Margin

Unit: Million THB, %



QoQ: Q3/2025 vs Q2/2025

+5.3%

Gross Profit: In Q3/2025, the Company reported gross profit of THB 121.1 million, increased by THB 6.1 million or 5.3% from Q2/2025, mainly due to the following factors:

- Higher international operating revenue from the United States, particularly cereal crackers, and the expansion of distribution through Asian supermarket chain networks which has many branches, as well as the increase in sales performance from retail channels, which has shown continuous growth. In addition, the Company experienced an increase in sales from European countries, driven mainly by exports to the United Kingdom and the Netherlands during Q3/2025, as a result from the Company's continuous participation in trade exhibitions and marketing activities.
- The ongoing execution of proactive cost-management initiatives, focusing on productivity improvement within its manufacturing facilities and waste reduction to enhance operational effectiveness and maintain appropriate cost discipline, as well as to strengthen long-term profitability.

Gross Profit Margin was 35.5% in Q3/2025, increased by 1.7% from Q2/2025, mainly due to the increase in international sales, as well as effective cost management amid foreign exchange volatility.

YoY: Q3/2025 vs Q3/2024

-29.1%

Gross Profit: In Q3/2025, the Company reported gross profit of THB 121.1 million, decreased by THB 49.7 million or 29.1% from Q3/2024, mainly due to the following factors:

- Lower domestic sales driven by the domestic economic slowdown and weaker consumer purchasing power, along with the decrease in international sales which has a higher margin.
- Foreign exchange volatility which affected the recognition of revenue from international operations, which decreased by 7%. The Company continues to closely monitor currency movements and implement risk-management measures to sustain profitability over the long term.

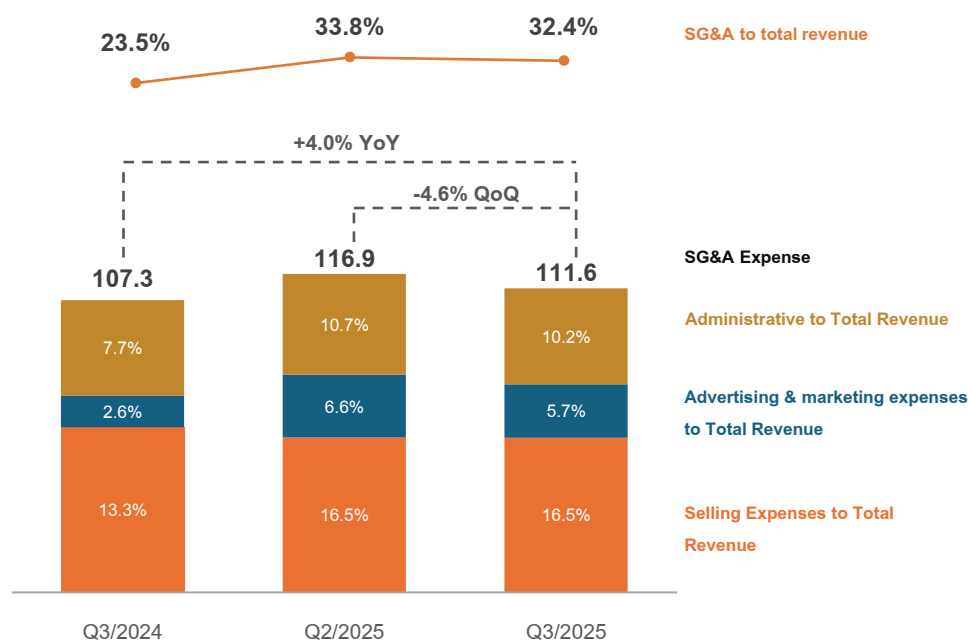
The Company continues to implement proactive cost-management initiatives, focusing on improving manufacturing productivity within its facilities and reducing waste in the production process. These efforts aim to enhance operational effectiveness and maintain appropriate cost control.

Gross Profit Margin was 35.5% in Q3/2025, decreased by 2.1% from Q3/2024, mainly due to the decrease in international sales which has a higher margin.



Selling and Administrative Expenses

Unit: Million THB, %



QoQ: Q3/2025 vs Q2/2025

-4.6%

In Q3/2025, the Company reported selling and administrative expenses of THB 111.6 million, decreased by THB 5.3 million or 4.6% from Q2/2025, mainly due to the efficient management of marketing expenses, with marketing activities adjusted to align with current consumer behavior. However, the Company continues to prioritize initiatives to maintain brand awareness and consistently reach target audiences, while also emphasizing strict internal cost control and prudent resource utilization. As a result, **selling and administrative expenses to total revenue** in Q3/2025 was 32.4%, decreased by 1.4% from Q2/2025.

- Selling and distribution expenses** In Q3/2025, the Company reported selling and distribution expenses of THB 56.8 million, slightly decreased by THB 0.1 million or 0.1% from Q2/2025, mainly due maintaining expenses at an appropriate level to preserve overall operational efficiency, along with the sales volume and distribution activities.

As a result, **selling and distribution expenses to total revenue** in Q3/2025, was 16.5%, unchanged from Q2/2025.

- Advertising and marketing expenses:** In Q3/2025, the Company reported advertising and marketing expenses of THB 19.6 million, decreased by THB 3.4 million or 14.6% from Q2/2025, mainly due to the efficient management of marketing expenses, as the Company has adjusted marketing activities to align with current consumer behavior. However, the Company continues to focus on initiatives to maintain brand awareness and sustain reach to target.

As a result, **advertising and marketing expenses to total revenue** in Q3/2025, was 5.7%, decreased by 0.9% from Q2/2025, reflecting the Company's ability to control administrative expenses effectively.

- Administrative Expenses:** In Q3/2025, the Company reported administrative expenses of THB 35.2 million, decreased by THB 1.9 million or 5.2% from Q2/2025, mainly due to Company's continuous management and control of internal expenses, along with the efficient and prudent utilization of resources during the past quarter.

As a result, **administrative to total revenue** in Q3/2025 was 10.2%, decreased by 0.5% from Q2/2024, reflecting the Company's ability to efficiently manage administrative expenses.

YoY: Q3/2025 vs Q3/2024

+4.0%

In Q3/2025, the Company reported selling and administrative expenses of THB 111.6 million, increased by THB 4.3 million or 4.0% from Q3/2024, mainly due to the increase in marketing activities both domestic and international markets to strengthen brand awareness and support future sales growth. As a result, **selling and administrative expenses to total revenue** in Q3/2025 was 32.4%, increased by 8.9% from Q3/2024.

- **Selling and distribution expenses** In Q3/2025, the Company reported selling and distribution expenses of THB 56.8 million, decreased by THB 3.8 million or 6.3% from Q3/2024, mainly due to the decrease in expenses corresponding to the decrease in sales.

However, the decrease in sales both from the domestic and international markets resulted in **selling and distribution expenses to total revenue** in Q3/2025, to be at 16.5%, increased by 3.2% from Q3/2024.

- **Advertising and marketing expenses:** In Q3/2025, the Company reported advertising and marketing expenses of THB 19.6 million, increased by THB 7.9 million or 67.9% from Q3/2024, driven by the Company's ongoing domestic marketing activities. In addition, the Company allocated part of its budget to support marketing in China for the new product launched for export in Q3/2025, which has played an important role in strengthening the brand image and also to support future sales growth.

As a result, **advertising and marketing expenses to total revenue** in Q3/2025, was 5.7%, increased by 3.1% from Q3/2024.

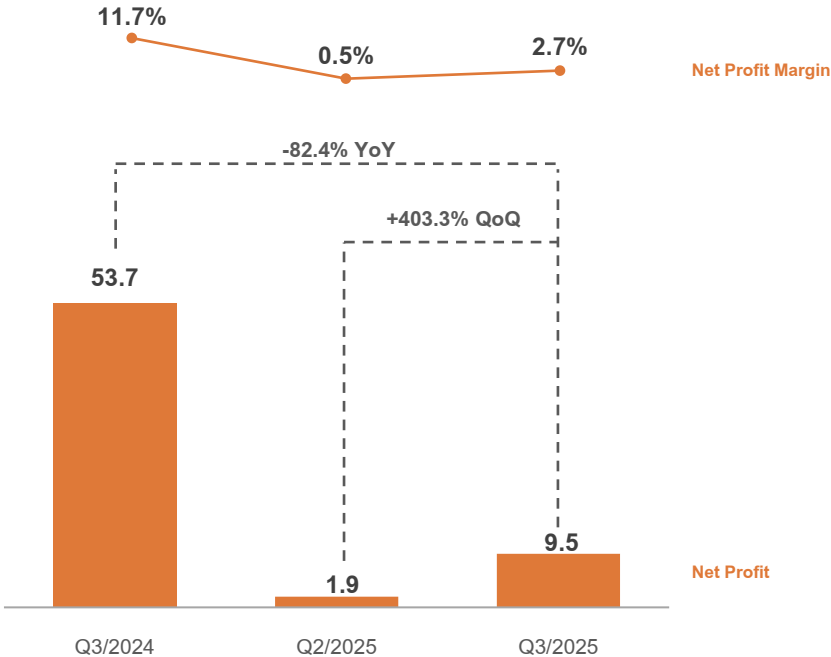
- **Administrative Expenses:** In Q3/2025, the Company reported administrative expenses of THB 35.2 million, slightly increased by THB 0.2 million or 0.5% from Q3/2024, mainly due the Company's ability to effectively control administrative expenses.

As a result, **administrative to total revenue** in Q3/2025 was 10.2%, increased by 2.6% from Q3/2024.



Net Profit and Net Profit Margin

Unit: Million THB, %



QoQ: Q3/2025 vs Q2/2025

+403.3%

In Q3/2025, the Company reported net profit of THB 9.5 million, increased by THB 7.6 million or 403.3% from Q2/2025 mainly due to:

1) Higher international operating revenue, particularly in the United States and European countries during Q3/2025 2) the ongoing execution of proactive cost-management initiatives and 3) the increase in the proportion of sales through online channel and international markets, which carry lower logistics and distribution costs than other channels, as well as the optimization of transportation routes to enhance efficiency.

As a result, **net profit margin** in Q3/2025 was 2.7%, increased by 0.5% from Q2/2025.

YoY: Q3/2025 vs Q3/2024

-82.4%

In Q3/2025, the Company reported net profit of THB 9.5 million, decreased by THB 44.2 million or 82.4% from Q3/2024, mainly due to

1) Lower domestic sales driven by the domestic economic slowdown and the weaker consumer purchasing power, as well as the decrease in international sales 2) foreign exchange volatility and 3) the Company's ongoing domestic marketing activities, along with budget allocation to support marketing efforts in China for the new product exported in Q3/2025, which has significantly contributed to enhancing brand image and driving future sales.

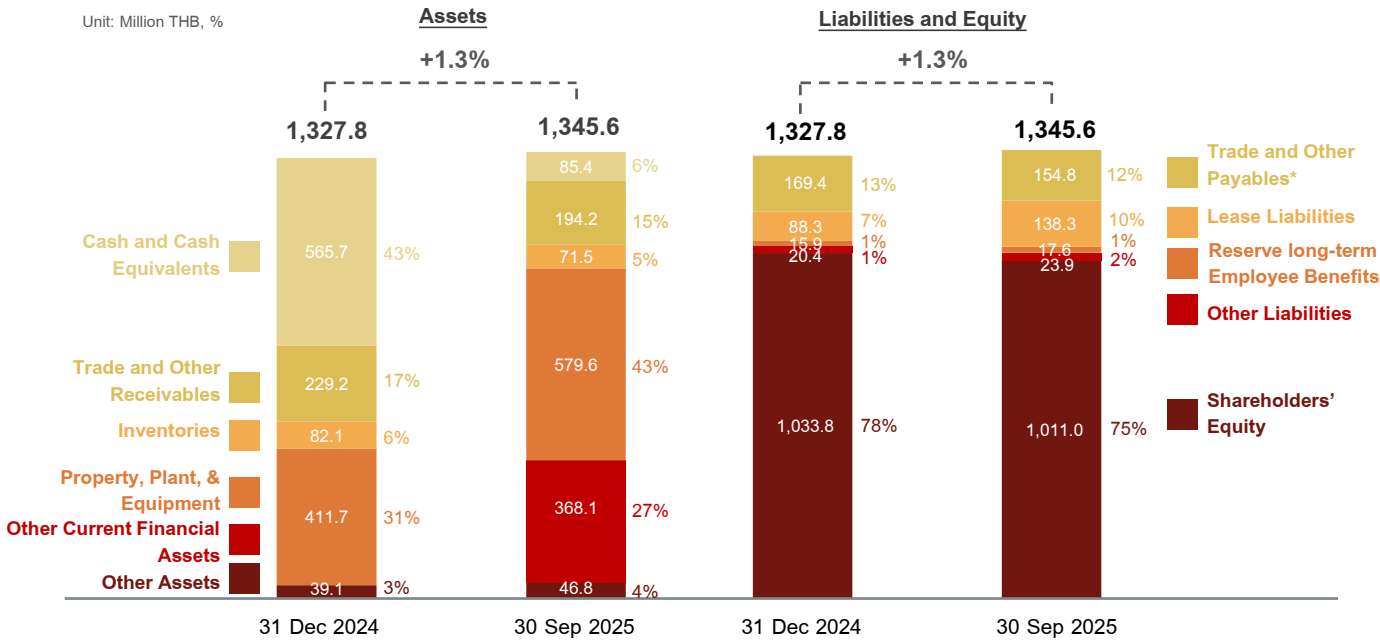
As a result, **net profit margin** in Q2/2025 was 2.7%, decreased from 11.7% from Q3/2024.

However, the Company remains focused on customer base expansion and the strengthening of distribution channels both domestically and internationally to be in line with the business growth plan to achieve a sustainable revenue growth. In addition, the Company continues to implement proactive cost management initiatives and internal efficiency measures, focusing on productivity improvement within the manufacturing facilities and waste reduction throughout the production process to restore and maintain a more stable profit margin in the coming periods.



Statement of Financial Position

Unit: Million THB, %



* Note: Trade and other payables, including Department of Revenue payables

+1.3%

Total Assets

As of 30 September 2025, the Total Assets of the Company was THB 1,345.6 million, increased by THB 17.8 million or 1.3% from 31 December 2024, driven by the following key changes:

- Other Assets:** was THB 46.8 million, increased by THB 7.7 million, due to the increase in temporary investments.
- Cash and Cash Equivalents:** was THB 85.4 million, decreased by THB 480.3 million, mainly due to the cash spent in temporary investments.
- Property, Plant, & Equipment:** was THB 579.6 million, increased by THB 167.9 million, due to the increase in investment for construction to expand production capacity for each product categories.

+13.8%

Total Liabilities

As of 30 September 2025, the Total Liabilities of the Company was THB 334.6 million, increased by THB 40.6 million or 13.8% from 31 December 2024, driven by the following key changes:

- Lease liabilities:** was THB 138.3 million, increased by THB 50.1 million, from the lease contract to construct the second Wholesome Factory.

-2.2%

Total Shareholders' Equity

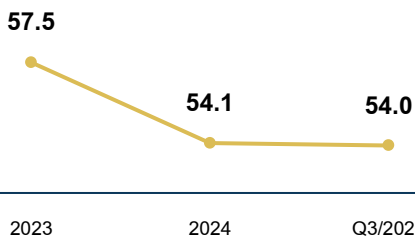
As of 30 September 2025, the **Total Equity** of the Company was THB 1,011.0 million, decreased by THB 22.9 million or 2.2% from 31 December 2024, mainly due to the decrease in retained earnings resulted from the dividend payment in Q2/2025 at the rate of THB 0.17 per share.



Key Financial Ratios

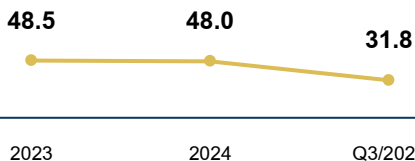
Account Receivable Days

Unit: Days



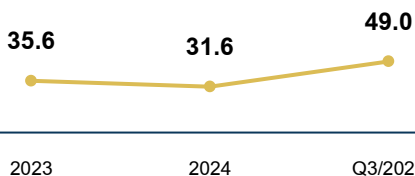
Inventory Days

Unit: Days



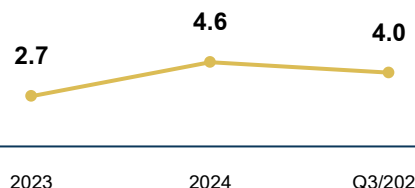
Account Payable Days

Unit: Days



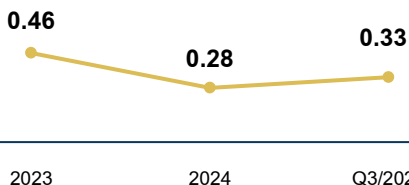
Current Ratio

Unit: Times



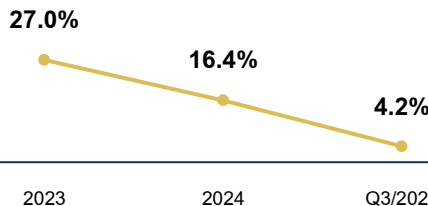
D/E Ratio

Unit: Times



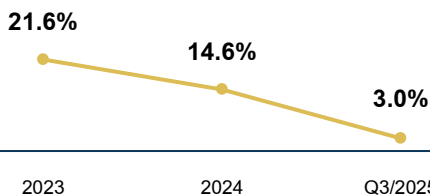
ROE

Unit: %



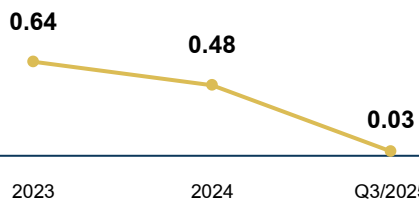
ROA

Unit: %



EPS

Units: THB per share





Corporate social responsibility or CSR

Throughout 2025, Chao Sua - Wholesome has continuously carried out CSR activities to support local communities, foster strong relationships between the organization and society. These activities have helped foster employee pride, boost morale, and promote a culture of volunteerism within the organization. This commitment highlights the Company's dedication to advancing Environmental, Social, and Governance (ESG) principles, particularly focusing on the Social (S) and Governance (G) dimensions. During Q3/2025, the Company successfully carried out the following activities:



Volunteerism & Organizational Culture



"Chao Sua - Wholesome donated the Company's products and Chao Sua drinking water to Wat Jang Hai Temple and the Nakhon Ratchasima Provincial Industry Office for distribution to evacuees in border areas of Si Sa Ket and Ubon Ratchathani provinces affected by unrest along the border, with the aim of alleviating hardship and supporting the livelihoods of those impacted by the situation"



"Employee representatives of the Company joined forces in a major act of goodwill by donating blood to increase reserve blood supplies, in light of border unrest that may raise demand for blood. This initiative reflects the care and generosity of employees from both companies"



"Chao Sua - Wholesome offered its products to the Sawang Metta Nakhon Ratchasima Rescue Unit, under the Syang Siang Tung Foundation (Sawang Metta Thammathan), for distribution to evacuees in border areas affected by unrest along the borders. The Company recognizes the importance of compassion and humanitarian assistance, especially during times of crisis when evacuees are in urgent need of support"