



# Management Discussion and Analysis

Quarter 3 ended September 30, 2024

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**Eureka Design Public Company Limited**

Subject Profit and loss reporting for the third quarter of 2024 and explanation of more than 20 percent fluctuation in profit and loss compared to that of last year

To Dear Directors and Managers  
Stock Exchange of Thailand

Eureka Design Public Company Limited and its subsidiaries (“UREKA” have) would like to inform the operating results for the third quarter of 2024 ending on September 30, 2024, details as follows:

Summary of UREKA's performance	EBIT	Net profit	Change	Net profit margin
	54.24 M.	37.67 M.	47.42 M.	18.72%
Income Statement	Quarter	Quarter	Change	Change
Unit: million baht	3/2024	3/2023	Million	(% yoy)
<b>Revenues</b>				
Revenue from sales and services	197.70	250.91	(53.21)	-21.21%
Other income	3.48	11.98	(8.50)	-70.95%
<b>Total revenue</b>	<b>201.18</b>	<b>262.89</b>	<b>(61.71)</b>	<b>-23.47%</b>
<b>Expenses</b>				
Cost of good sold	115.34	145.13	(29.79)	-20.53%
Selling costs	0.94	2.40	(1.46)	-60.83%
Administrative expenses	30.66	50.11	(19.45)	-38.81%
Interest expense	16.06	17.07	(1.01)	-5.92%
<b>Total expenses</b>	<b>163.00</b>	<b>214.71</b>	<b>(51.71)</b>	<b>-24.08%</b>
<b>Profit (loss) before income tax</b>	<b>38.18</b>	<b>48.18</b>	<b>(10.00)</b>	<b>-20.76%</b>
Income (expenses) income tax	(0.51)	(0.76)	0.25	-32.89%
<b>Net profit (loss)</b>	<b>37.67</b>	<b>47.42</b>	<b>(9.75)</b>	<b>-20.56%</b>
<i>Net profit margin</i>	<i>18.72%</i>	<i>18.04%</i>		

## Business Overview for 2024

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### The overview of UREKA's consolidated profit and loss statement are as follows:

1. UREKA had revenue from sales and services for the nine months of the 3rd quarter of 2024 ended September 30, 2024 with sales and service income of 197.70 million baht, a decrease of 53.21 million baht or 21.21% from the same period last year with sales and service income of 250.91 million baht. However, the revenue from the production and distribution of recycled plastic pellets amounted to 131.32 million and revenue from the production and distribution of tap water to the Provincial Waterworks Authority according to the water purchase agreement to solve the water shortage problem at the Phan Thong water distribution station and Nong Ka Kha water distribution station was 71.82 million baht. Currently, the revenue from sales and services for the first quarter ended September 30, 2024 decreased by 62.00 million baht. The decrease was due to a slowdown in sales of plastic pellets compared to last year's order volume and a slowdown in overall economic growth. In addition, sales volume and selling price were quite volatile depending on the price of crude oil in the world market which is the main raw material for production
2. UREKA had other income for the third quarter of 2024 ended September 30, 2024 other income was 3.48 million baht, a decrease of 8.50 million baht or a decrease of 70.95% from the same period last year. with other income of 11.98 million baht Due to loss from exchange rate
3. UREKA had total revenue for the third quarter of 2024 ended September 30, 2024 with total revenue of 201.18 million baht, a decrease of 61.71 million baht or a decrease of 23.47% from the same period of the previous year which had total revenue of 262.89 million baht
4. UREKA had cost of sales and services the third quarter of 2024 ended September 30, 2024 in the amount of 115.34 million baht, a decrease of 29.79 million baht or a decrease of 20.53% compared to the previous year with cost of sales and services of 145.13 million baht. Production costs increased due to higher energy costs and the price of raw materials. However, the Company have increased the efficiency in controlling costs of raw materials in various productions by managing raw material inventory and closely analyzing trends in raw material prices
5. UREKA had distribution costs for the third quarter of 2024 ended September 30, 2024 in the amount of 0.94 million baht, a decrease of 1.46 million baht or a 60.83% reduction when compared to last year. The cost of distribution amounted to 2.40 million baht. The significant decrease was due to the lower foreign exports and the lower cost of exporting abroad per unit

6. UREKA had financial costs of the third quarter of 2024 ended September 30, 2024 in the amount of 16.06 million baht, a decrease of 1.01 million baht or an increase of 5.92% compared to the same period of the previous year with financial cost of 17.07 million baht.
7. UREKA had administrative expenses for the third quarter of 2024 ended September 30, 2024 were 30.66 million baht, a decrease of 19.45 million baht or a decrease of 38.81% compared to the previous year's administrative expenses of 50.11 million baht due to better control of management expenses from efficient management and development of personnel and resources
8. UREKA had net profit for the third quarter of 2024 ended September 30, 2024 which amounts to 37.67 million baht, a decrease of 9.75 million baht or a decrease of 20.56% compared to the same period last year when the net profit was 47.42 million baht. The main reason for a significant a decrease in operating results was the decline of sales. However, when considering the net profit rate, it can be seen that Net profit margin improved from 18.04% in the same period last year to 18.72% in this accounting period, which shows the ability to control profit margin structure

Unit: million baht	Quarter	Quarter	Change	Change
Current assets	3/2024	4/2023	Million	(% yoy)
Non-current assets	197.40	208.70	(11.30)	-5.41%
Total assets	1,634.89	1,562.06	72.83	4.66%
<b>Liability</b>	<b>1,832.29</b>	<b>1,770.76</b>	<b>61.53</b>	<b>3.47%</b>
Equity	358.85	336.38	22.47	6.68%
Liability and Equity	1,473.44	1,434.38	39.06	2.72%
<b>Total Liability and Equity</b>	<b>1,832.29</b>	<b>1,770.76</b>	<b>61.53</b>	<b>3.47%</b>

The overview of UREKA's consolidated financial statement are as follows:

1. UREKA had total assets as of September 30, 2024 of 1,832.29 million baht, divided into current assets of 197.40 million baht, of which the main components are cash and cash equivalents of 10.15 million baht and accrued receivables and accrued income totaling 187.25 million baht, and non-current assets of 1,634.89 million baht, of which the main components are property, buildings and equipment in the amount of 1,248.48 million baht. The Company had total assets as of September 30, 2024, increased from December 31, 2023 in the amount of 61.53 million baht or an increase of 3.47% The reason for this was the increase in trade receivables and other current receivables
2. UREKA had liabilities as of September 30, 2024 in the amount of 358.85 million baht, an increase of 22.47 million baht or 6.68% from liabilities as of December 31, 2023. This was mainly due to an increase in Bank overdraft and short-term loans from financial institution

3. Shareholders' equity increased from the improved performance resulted in the company's retained earnings as of September 30, 2024 in the amount of 110.17 million baht, an increase of 37.77 million baht to the retained earnings as of December 31, 2023, with retained earnings in the amount of 72.40 million baht

Other key financial ratios as follows:

<b>Key financial ratios</b>	<b>Q3/2024</b>	<b>Q4/2023</b>
<b>Leverage Ratio</b> D/E	0.24	0.23
<b>Liquidity Ratio</b> Current Ratio	1.13	1.62
<b>Profitability Ratios</b> Net Profit Margin	19%	18%

Please be informed accordingly and publish to investors

Best regards,

(Rinnatha Akeassavapirom)  
Chief Executive Officer and Director